

**German  
Business  
Customs  
And  
Practices**



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## The Road To Global Success

While Germans and Americans have much in common, the information in this brochure highlights topics where cultural differences in behavior, values and priorities can come as unwelcome surprises. To make your experience at one of the trade shows in Düsseldorf as successful as possible, let this tips sheet be your introductory road map to intercultural business understanding with Germans.

- ◆ Be observant of details
- ◆ Listen for what is said and is not said
- ◆ Ask questions
- ◆ Keep their perspective in mind

## At The Show

**BUSINESS ATTIRE:** German trade shows are conducted in a more formal manner than in the United States. Therefore, formal business attire is appropriate. Khakis and golf shirts are generally too informal for shows in Europe.

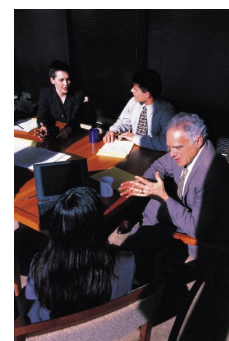
**GREETINGS:** Generally, German trade show participants do not wear name badges. Say, "How may I help you?", to start. Save introductions until the booth visitor has indicated interest. An introduction made too early would be considered intrusive and superficial.

**BUSINESS CARDS:** Business cards are not given out as freely in Germany as in the U.S. By giving the business card, the German is "granting permission" to contact him/her in the future. The business cards you collect should be treated as confidential, private property.

**INTRODUCTIONS:** Title etiquette is sensitive in Germany. Listen carefully to which titles are used during introductions and be sure to use them, too. Germans use titles (Mr., Mrs., Dr., etc.) and last names for everyone except for closest friends who have mutually agreed to using first names. Failure to use the title with the name can be offensive to a German. Shake hands hello and good-bye with everybody using a firm grip (not crushing), and making good eye contact. Women, regardless of rank, are always greeted first.

**BUSINESS TITLES:** German business titles are usually functional (Division Head) or academic (Dr. or Dipl.). They do not necessarily correspond to U.S. business titles.

**QUALIFYING PROSPECTS:** Usually, very highly placed business people attend trade shows in Germany. Take the direct approach and ask if your booth visitor makes the purchasing decisions. Do not rely on the job title to indicate responsibility levels.



## Product And Company

**BUSINESS PRIORITIES:** Long term commitment and company stability are top priorities. Therefore, Germans will want to know about your company (ownership, company history, product lines, other customers, affiliations and goals). References may be requested. As your company's representative, they are looking for honesty and reliability which must be proven over a long period of time. Trying to rush this process is considered rude or suspicious.

**QUALITY:** In Germany, quality equals durability. Detailed research documenting quality claims should be available, and printed materials should include product parts and information.

**PRODUCT SPECIFICATIONS:** If you do not already use metric measure in your product information, prepare a brief data sheet giving critical dimensions, weight and shipping volumes. In technical products, Germans may expect to receive exactly the same interior parts from the suppliers as were in the sample they examined before purchase. While you may feel that sometimes one supplier's parts are interchangeable with another's, the German customer may disagree.

**ENVIRONMENT:** Environmental issues are of major concern and are highly regulated in Germany. Be prepared to show how your company is addressing the environmental impact of its products and services.



## Contracts, Negotiations

In negotiating, Germans tend to start with something close to what they expect to receive in the end. A supplier who asks for much more than they agree to in the end lacks credibility in the eyes of Germans. Yet, the German buyer is prepared to assist a trusted, long serving supplier if the supplier encounters unexpected costs and difficulties. Caution: be sure to agree to product specifications and supplier flexibility if needed.



## Communications

**CREATING RAPPORT:** Visitors are likely to investigate and conclude business deals at the show. In order to create trust and rapport, discussions should focus mainly on business. Stay away from personal topics and small-talk. American-style friendliness, though making business more enjoyable, doesn't factor into the trust equation. Follow the German's lead on what to discuss.

If you have serious prospects, consider extending your stay. Long-term or exclusive distribution agreements are often concluded on the last day or just after the show.

Germans tend to be very direct in their communication and may seem abrupt at times to an American especially if more negative issues are discussed. For example, criticizing in a gentle way can even be interpreted as weak by the German.

"JA!": Don't mistake the German's listening habit of saying "Ja" to mean agreement. It means "I'm listening".

**BODY LANGUAGE:** Generally, business people have a more reserved style with few broad hand gestures. At first, greater personal distance is maintained. Later, it can be surprisingly close. Touching, such as a pat on the arm or back, is restricted to intimate friends. Do not put your hands into your pockets and do leave your suit jacket on even if it is warm.

**IN WRITING:** In all written correspondence, be sure to use the name with all titles as they appear on the business card.

**SCHEDULES:** "Punctual" in Germany means about 5 minutes early. Germans take appointments and meetings as important commitments that should not be changed lightly. Yet, for "personal reasons" such as illness or vacation time, Germans are more flexible than Americans in accepting delays and making postponements.

**DATES, TIMES AND NUMBERS:** In Germany, dates are written "day.month.year". "Military" time is used e.g. Let's meet on 09.07.2007 at 14:00 (Jul 9, 2007 at 2:00 p.m.). For numbers, periods and commas are switched, e.g. €1.000,00=one thousand Euro. A million means a million in both countries, but a U.S. "billion" is a German "Milliarde" and a German "Billion" is a "trillion" in the U.S.!

**Some useful conversions:**

1 square meter = 10.764 square feet

1 meter = 3.28 feet

1 kilometer = 0.62 miles

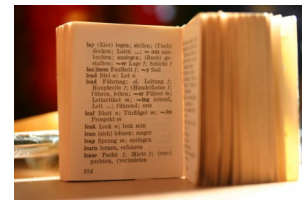
1 kilogram = 2.2 pounds



## Speaking With Non-Native English Speakers

Keep in mind that English may be the second, third or even fourth language of many Europeans. You should be prepared to meet them at least half-way by following these tips:

- ◆ Using a normal volume, slow down, enunciate clearly, and pause between phrases.
- ◆ Use shorter sentences to explain complicated information.
- ◆ Eliminate jargon, especially sports analogies.
- ◆ Repeat and paraphrase what the German has said to make sure that you have understood.



## Business Entertaining

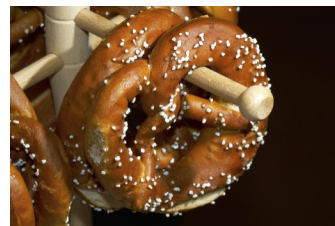
Hospitality and refreshments should be available to your potential business partners at your booth, if possible. Entertaining is a step to show serious intent, and you should follow-through on any invitations issued by you or to you.

**ETIQUETTE:** Germans, Europeans for that matter, take table etiquette and manners more seriously than most Americans.

- ◆ Do wait for the host before taking a sip or starting to eat.
- ◆ Do not expect coffee to accompany the noon or evening meal: it is served after.
- ◆ Do not use your fingers, even for french fries.
- ◆ Do make eye contact before and after raising the glass in toast.

**SMOKING:** Smoking is prohibited in stations, trains and taxis as well as in all federal administration buildings, except in designated smoking corners, under the new bill approved by the Bundestag or lower house of parliament.

Those who do will risk a fine of up to 1,000€



## Logistics

**EXCHANGE CURRENCY:** We recommend withdrawing EURO currency from ATM-machines in Germany to obtain the best exchange rate. ATM-machines can be found at the airport, downtown, and at the fairgrounds.

**TAXI:** Taxi stands are commonly used, but you can also have someone call a cab for you at the hotel, etc.. Let the driver load your luggage - he doesn't want you to scratch the taxi. Tip about 10%.

**DRIVING:** Driving is aggressive. Never pass on the right. If the car behind you flashes its lights, move to the right immediately. Parking is sometimes allowed in unusual places such as sidewalks. Drunk driving laws are strictly enforced. Our advice is to take a taxi or use public transportation.

**RESTAURANTS:** Germans take their meal at a leisurely pace, and asking for quick service at a non-fast food restaurant is considered rude. In all other respects, Americans will find the service courteous and professional. Water does not accompany the meal and can be ordered by the bottle. Beer is not served as cold as Americans may be used to. Remember, a really good Pilsner takes 7 minutes to draft before serving! Relax and enjoy.

**TIPPING:** Service charge is included in the bill. When paying and you feel the service was good, you should leave an additional 10%, which is handed directly to the waiter/waitress.



## Business Customs Quiz

### Answer True or False

1. Only after about 1 year of working together do Germans call each other by first names.
2. Germans value quality over practicality in most of their purchases.
3. In Germany, good table manners dictate that the left hand is kept in the lap when not in use.
4. For a German, quality means everything from good packaging to the best product.
5. Line-waiting etiquette requires you to wait patiently and show restraint in any impatient mannerism or comments.
6. German companies have more levels of hierarchy than most American companies.
7. In Germany, marketing campaigns are expected to include a certain amount of "hype" and exaggeration.
8. Germans prefer conducting business in English to German.
9. Planning meetings in Germany are always briefer than in U.S. due to German efficiency.



## Quiz Answers

1. False. First names are rarely used in the workplace. Use last names until first names are offered by the German.
2. False. Quality and practicality are of equal importance.
3. False. Hands are always visible with the fork in the left and knife right. When not in use, hands may rest on the edge of the table.
4. True.
5. False. Germans are generally very impatient while waiting in lines.
6. False. German organizations tend to be flatter.
7. False. In serious marketing, exaggeration is not well received and can even be interpreted as dishonest.
8. False. Even if Germans speak English well, they will appreciate someone who speaks German.
9. False. Germans put a lot of time and emphasis into detailed planning which results in longer meetings.