

EDC GUIDE

# CULTURAL TIPS FOR DOING BUSINESS IN GERMANY

How to maximize your success



When it comes to business etiquette, what's acceptable in one country, may not be in another. To be successful in international trade, you need to understand the culture, traditions and business expectations of your clients and partners in your target markets and adapt your communication and business strategies accordingly.

It could mean the difference between winning—or losing—a contract.

Germany is Canada's sixth-largest trading partner in the world and offers myriad opportunities for Canadian businesses in key sectors, including aerospace, advanced technology, sustainable energy, agri-food and automotive. But negotiations are taken very seriously and if you don't dress to impress, you could go home empty-handed.

## GERMANY

### **5 KEY ETIQUETTE TIPS**

- **Don't be late:** Punctuality is extremely important— arriving 15 minutes early to a meeting or appointment is even better. If you're going to be delayed, always let your counterparty know in advance.
- 2 Keep your distance: When meeting someone for the first time or those you don't know well, offer a handshake when entering the room. Greetings follow a ranking: Higher ranked first, older before younger, women before men. During the meeting, stay at least three feet (about one metre) from your counterparty. Most Germans feel uncomfortable in a more intimate atmosphere. They also prefer to keep their personal lives separate from work.
- Meetings tend to be serious and formal: Meetings adhere to strict agendas, including start and end times. It's imperative to be well-prepared and have solid information because Germans often expect well-documented answers to their questions. They're also direct to the point of bluntness. It's important to maintain direct eye contact while speaking and avoid confrontational behaviour or high-pressure tactics.
- Yes means yes: What Germans say is what they mean and they expect commitments to be taken seriously. Not adhering to commitments will lead to lost trust. In the family-owned, mid-market space, a handshake often seals a deal.
- Dress conservatively and formal: How you dress for meetings is very important. Casual or sloppy clothes aren't acceptable. Businessmen should wear dark-coloured, conservative business suits, ties, and white shirts. Women also dress conservatively in dark suits and white blouses or conservative dresses. This form of dress is observed even in warm weather. Don't remove your jacket or tie before your German colleague does. Don't be surprised, however, if occasionally, you see someone wearing white socks with a dark suit.

#### FOR MORE INFORMATION

- > Visit EDC's country and market page about Germany.
- Visit the <u>Canadian Trade Commissioner Service's</u> <u>country</u> and sector information pages.
- Visit the <u>Canadian German Chamber of Industry</u> and Commerce website.
- Reach out to <u>Klaus Houben</u>, EDC's senior regional manager for Europe and head of EDC representation in Düsseldorf, Germany.



#### INTERESTING FACTS ABOUT GERMANY

- > There are about 3,200 different breads, 2,000 types of sausages and more than 6,000 beer brands. Since 1810, the annual Oktoberfest in Munich, Germany, has been held to celebrate Bavarian culture. More than six million people visit the two-week beer binge every year.
- ➤ Germany is the largest country in the European Union (EU) with a population of 84.1 million. The EU has more than 77 signed free trade agreements (FTAs), including the Canada-European Union Comprehensive Economic and Trade Agreement (CETA).
- Germany is Canada's largest EU export market and our sixth-largest, global trading partner. In 2020, our Germany-bound exports were worth \$6.37 billion, while we bought \$17.27 billion in German goods.
- > Key export sectors in Germany for Canada include aerospace, advanced manufacturing, automotive products, life sciences, information and communications technologies and agri-food.
- The first automobile was invented by Carl Benz in 1886 in Germany. The country is still a leader in the automotive industry, which is a key sector in Germany's economy.
- ➤ There are more than 20,000 castles in Germany, including the iconic fairytale Neuschwanstein Castle built under the reign of Bavarian King Ludwig II in the mid-1800s.

#### ABOUT EXPORT DEVELOPMENT CANADA

#### Who are we?

Export Development Canada (EDC) is Canada's export credit agency. Our job is to support and develop Canada's export trade by helping Canadian companies respond to international business opportunities. We're a self-financing Crown Corporation that operates at arm's length from the Government of Canada.

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