

But targeting the market has involved much more than simply setting up a site with a German domain name.

"Translation of the website content has been the biggest job, just because it takes a long time," says White. "You need to set the right tone for the people you are trying to appeal to and the translators need to really understand your company and what the product is about."

The company has recently taken on a German speaker to help with marketing and to help ensure the site is correctly pitched for German consumers.

"While our UK and US customers may know exactly which tartan they want and ask for it by name, Germans aren't so knowledgeable and may need more guidance to choose," explains White.

Unlike UK shoppers, Germans are not major users of credit cards and prefer bank transfers which means companies considering a retail presence there need to consider setting up a bank account.

White believes establishing her brand there now will pay dividends in the future.

"They are not as advanced as UK consumers in online shopping and we want to get in there while that is still growing fast," she says.

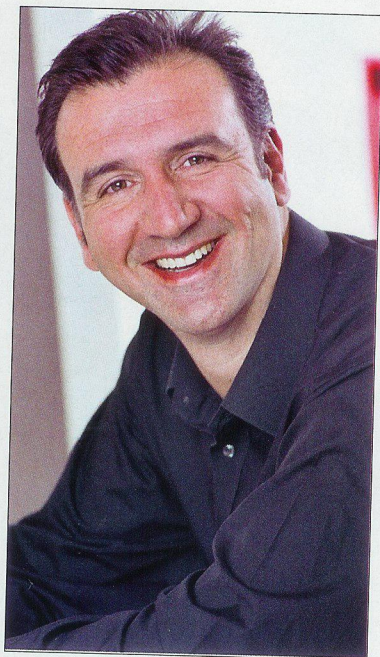
According to Andersch, proper preparation and having the resources available are crucial for firms looking to start trading with Germany.

"I've been approached by small companies saying they want to conquer Germany, but they haven't really done their homework and don't understand what is involved.

"There is a lot to consider if you are serious about doing business there – even down to making sure you write invoices with a comma in the amount instead of a full stop.

"German business people also tend to expect a lot of communication with the companies they are dealing with and to be kept up to date with what is happening all the time."

The sheer scale of the country and the market also needs to be appreciated. Germany has the second-



largest population in Europe after European Russia. Bavaria alone has a population more than twice that of Scotland and exports more manufactured goods than Spain and Portugal combined.

The potential to lever the existing strong relationship between the two countries has been identified in the Scottish Government's strategy for Germany, which over the next three years aims to foster improved business links between the two countries and increase transport connections.

**Matthew Bending**, joint chief executive of Spaceandpeople, a Glasgow-based firm which manages promotional space in shopping centres and has recently struck a major five-year deal with Hamburg-based ECE, believes it is a very attractive market to be in.

His company is now managing and marketing space in 55 shopping centres across Germany.

"The Germans have been fantastic to deal with," he says. "Their English is excellent which is a real help and Hamburg has historically had very close business ties with the UK.

"And when our German clients say something will be done and it will happen on a particular date you can bet your house it will and that is very refreshing."

What is expensive is the people – basic salaries are higher so bear that in mind

Matthew Bending, Spaceandpeople (above)

He has also been surprised at the relatively low cost of some aspects of setting up a base in Germany.

"We have taken an office in a lovely part of Hamburg and it is cheap compared to the UK with no rates to pay. We're also just putting a state of the art IT and telecom system in at about a third of the cost of what it would be here.

"What is expensive is the people – basic salaries are higher and you have to bear that in mind," says Bending, who has recruited six German staff for his new Hamburg operation.

**David Scrimgeour**, a Scottish lawyer who has lived in Germany for 17 years and who has helped many UK companies establish themselves there, believes there is a false perception that it is a difficult market to break into.

"It is tough because it is very competitive, but it's almost a no-fail market if you have something they want and go in there with the right strategy and price. You can also see what the risks are far easier than you could in somewhere like China or India."

Scrimgeour, who used to work with Locate in Scotland in Germany, is currently focusing his efforts on the renewable energy sector.

"That is one area where Scotland can offer something Germany really wants and which it is investing heavily in right now," he says. "The Scottish banks and funders of renewable energy projects in Scotland are also ahead of the Germans in terms of financing projects which could be exploited."

Munich-based Scrimgeour is evangelical about the opportunities for trade between the two countries, but sounded a note of caution for Scottish companies attracted by the story that many German business people speak English.

"The idea that everyone speaks English here is nonsense, but even if they did why should they if a Scottish company is trying to sell them something?" ●

*Perry Gourley is a freelance business journalist.*