



10 tips for doing business with European cocoa buyers

European buyers are constantly looking for ways to secure supplies of good-quality cocoa. This gives you the opportunity to establish long-term relationships with buyers, especially in both the commodity and the fine flavour segments. Here are some tips for doing business with European cocoa buyers. After reading these, you will have a better chance of convincing importers to buy your product.

Contents of this page

1. [Have background information readily available](#)
2. [Maintain high quality and steady volumes](#)
3. [Consider local processing](#)
4. [Invest in personal partnerships](#)
5. [Help to organise transport and logistics](#)
6. [Be well-informed on price and flexible on financing](#)
7. [Distinguish yourself from the competition](#)
8. [Invest in online marketing](#)
9. [Meet standard buyer requirements](#)
10. [Learn from others, learn to collaborate and be aware of the differences in business culture](#)

1 . Have background information readily available

Your buyers in Europe will expect you to give them up-to-date and reliable data on the farm(s) and/or farmers that are producing your cocoa. Have these data available for the previous 3-5 years and work out a prediction for the 2-3 years to come. These data need to include detailed information about the following:

- Cocoa varieties
- The number of farmers and their family members
- The size of the farms
- How many kilograms or tonnes per farmer are being produced
- Your production region
- The micro climate
- Information about the soil (terroir)

Tip:

- Be transparent and honest. The cocoa market is a small one, in which negative experiences with suppliers will travel fast. Be honest about your own past experiences, the availability of volumes and varieties, and about other buyers you are working with.

2 . Maintain high quality and steady volumes

European buyers are looking for suppliers who can provide a continuous supply of high-quality cocoa in steady volumes. This means you need to make sure you can meet the quality requirements your buyer is asking for. However, remember to only make promises you can fulfil.

Keep your buyers regularly informed on the status of their orders. If you have any problems meeting certain quality requirements or volumes, you need to discuss this with your buyers in advance. Do not leave bad news to the last minute. Give yourself and your buyer enough time to work out a suitable solution.

[Cocoa of Excellence](#) mentions the following factors that define the quality of cocoa:

- Good trees (genetics)
- Well cared for and grown in a suitable environment
- Pods correctly harvested
- Good practices to keep the trees healthy and free of pests and diseases
- Optimum fermentation and drying protocols specific to the type of beans
- Know-how for processing cocoa beans and for chocolate making

Tip:

- For more information about quality requirements and standards, see [our study about buyer requirements](#).

3 . Consider local processing

There is a real demand for locally processed (semi-finished) products among customers worldwide. Explore the possibilities of processing your products locally. Roasting cocoa nibs or developing semi-finished products like droplets or liquor, for example, will give you a competitive advantage and add value to your products. Local roasting can also have a positive effect on marketing, because it allows your buyers to label chocolate products as locally processed.

When it comes to post-harvest handling, European chocolate makers are looking for suppliers that can guarantee quality fermentation and drying techniques. Some European chocolate makers are experimenting with these techniques themselves. If you communicate that you are open to change and willing to invest time in additional specific processing to meet their specific requirements, you will find them to be very enthusiastic.

Consider inviting buyers to come over and discuss and try out new techniques. Work together to test the fermentation process, drying techniques and other types of processing.

Tips:

- For locally dried and processed cocoa, packaging is very important, especially in case of whole roasted beans or nibs. You can, for example, work with vacuum-sealed micro lots of 200 kg each.
- Read our study about value-added cocoa products.

4 . Invest in personal partnerships

Direct trade in cocoa is very important. Your buyers will appreciate dealing with you personally rather than through agents. Similarly, the European cocoa sector is very much a people's market. This means that your buyers value personal business relationships.

Here are a few ways of making your buyers feel important and valued:

- Invite potential buyers for a personal visit.
- Make them feel special and exclusive.
- Offer them samples of micro lots to test.
- Traceability is very important. Show them that you are able to offer and guarantee this.
- Offer each potential buyer a slightly different product.
- If you are part of a cooperative, allocate buyers to their 'own' farmers. This will improve consistency in product quality and help nurture a positive business relationship between all parties.
- Communicate clearly, quickly, personally and regularly.
- Be ambitious and show commitment by responding quickly to questions after the visit and delivering on your promises.
- Be aware of the cultural differences in Europe (see point 10.)

Tips:

- If you have not mastered the English language well enough to communicate with your potential buyers, communicate in your native language. Alternatively, consider hiring an interpreter or translator. This will help you avoid miscommunications.
- Read [more about the business cultures in Europe on Kwintessential](#).
- Read this overview provided by [Passport to Trade 2.0](#) for insights into the different business cultures across Europe.

5 . Help to organise transport and logistics

Help your potential buyers arrange logistics. Be aware that small quantities (micro lots) are a popular trend. Try and find economic logistics solutions (LCL, Less than Container Load) other than full containers. Contact at least three local transport companies in order to get different quotations. LCL means the transportation of small ocean freight shipments not requiring the full capacity of a container – usually less than 20 cubic metres. A freight forwarder may create a 'consolidation' by putting together multiple LCL shipments.

Remember to invest in good-quality packaging. Buyers in Europe are looking for good quality and cost-efficiency. The condition in which your shipment arrives at your buyers' warehouses will make or break your reputation. If you provide poor-quality packaging, you will damage the faith your buyer has in your company.

In the fine flavour/speciality cocoa segment, jute bags are still commonly used. For very high-quality micro lots, vacuum-sealed [GrainPro packaging](#) can be used.

Tips:

- For more information about packaging, see [our study about buyer requirements](#).
- You will find it more profitable to have five buyers with smaller orders than to have one buyer who buys the whole lot. A diverse portfolio of clients also helps you spread risks.

6 . Be well-informed on price and flexible on financing

Price and financing are two important areas to research when doing business in Europe.

You will find that chocolate makers are willing to pay a premium for good quality and a unique product. For speciality/fine flavour cocoa, the premiums paid can go up to €500 to €5,000 per tonne (above the London or New York stock market). You can [check the daily prices for bulk cocoa](#) on the website of the International Cocoa Organisation.

Generally, prices are set in relation to the uniqueness, scarcity and origin of the particular cocoa.

Remember that exchange rates fluctuate. Cover this risk by including a clause on currency risk in your contracts.

In terms of financing, it is a good idea to look into the different options for export financing. Look at the options offered by local and international banks, for example. Some buyers also offer pre-financing/advance payments, but you will need to agree these terms at the start of your negotiations.

Tip:

- See [Rabo Rural Fund](#), [www.responsability.com](#) and [Root Capital](#) for examples of export financing.

7 . Distinguish yourself from the competition

The best way to attract a buyer's attention is by standing out from the competition. You need to find your distinguishing factor, your Unique Selling Point (USP).

When you have found your USP, you should promote it. Give your cocoa a face, a character and a story. For example, tell your buyers all about:

- the uniqueness of your cocoa varieties;
- the history of your farm;
- the microclimate and terroir where your farm is situated;
- the way you ferment and dry your beans.

Furthermore, provide good-quality photos of the farmers and their families, the plantations et cetera.

Buyers (and consumers) love to see the story behind the product. Chocolate makers in particular like to sell their chocolates as an experience and will use your story to help market their products to consumers. This is how they get their consumers to connect with their (your) products.

Can your product offer buyers something a little different? You will find that European buyers are increasingly looking for non-bulk cocoa that has a specific flavour, nuances in fragrance and texture, for example. This is also referred to as fine flavour cocoa.

8 . Invest in online marketing

Build a website. It can be simple, but it needs to be accurate. Use it to tell the world your story. More importantly, use it to tell your buyers what you are doing. Mention and put emphasis on your USPs.

A solid and simple website should include:

- company information;
- information on the origins of your products;
- product data;
- the story of your cocoa product.

Give regular updates about your cocoa farm and/or cocoa products on social media, for example on [Twitter](#), [Facebook](#) and [Instagram](#). Buyers use these online platforms regularly, as do consumers.

Tip:

- For more information on online marketing, see our [tips for finding European cocoa buyers](#).

9 . Meet standard buyer requirements

The European Union's requirements for food safety are strict. These apply as much to the cocoa sector as to any other. Many cocoa buyers will look for suppliers that can comply with the prescribed legislation and regulations.

Buyers also value certification for sustainable production and/or fair trade. Be sure to check your potential buyer's website to find out what their expectations are. Many larger European companies publish their own sustainability claims and policies on their websites. This is a good indicator of what you can expect.

Traceability is a strong trend in cocoa products in Europe and an increasing number of chocolate makers mention the source of their cocoa on the product wrapping.

Tips:

- Read our [study about cocoa buyer requirements](#).
- For more information about sustainability and/or fair trade certification and their importance in various European countries, check our [fact sheet about exporting certified cocoa to Europe](#).
- Also see our export fact sheets on promising target markets, for example [Belgium](#), [Finland](#), [Germany](#), [the Netherlands](#) and [Switzerland](#).

10 . Learn from others, learn to collaborate and be aware of the differences in business culture

Find exporters from your own country and perhaps from other developing countries as well. Talk to them about their experiences in doing business with European buyers. Learn from their experiences and find out what they did or did not do when they started exporting to Europe.

In addition to talking to other companies in your field, it can also be a good idea to collaborate with them. Consider joining forces with other cocoa farmers, for example, and work together to promote your country or your region. Try and develop an image for your country or region as a producer of speciality cocoa.

If your region is not well known by buyers in Europe, you can work together as a national sector. Try to engage the national or local government in setting a sector strategy. You can also work together to improve any negative impressions buyers in Europe may have about your country or region. Collaboration is a good way forward.

Be aware of cultural differences. Cultural awareness is key for success as an exporter. Some points to consider:

- The international business language is English.
- Religion is not that important when you are doing business in Europe.
- Managers are generally open and friendly.
- Northern European buyers are often straightforward and will tell you what they think, whereas southern European buyers are less direct.
- Always keep your promises, be punctual and recognise the value of a contract.
- Be honest at all times in your conversations with buyers, which is important and greatly appreciated.

Tips:

- Work together with other producers and exporters to promote good-quality cocoa from your region.
- Promote the positive aspects of your country and promote good collaboration.
- Read this overview provided by [Passport to Trade 2.0](#) for insights into the different business cultures across Europe.

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