



**Hemmat S Nasrallah,
Regional General Manager,
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<http://www.ballantyne.com.au/>

Ballantyne is an exporter of dairy products. It is the biggest producer in the world of canned butter, which is a major seller in the Middle East market and Muslim countries in other areas of the world. All the company's products are *halal*, so are acceptable to Muslims. The company entered the Bahrain market more than 40 years ago.

Hemmat Nasrallah warns: 'Don't get into an agency agreement too quickly. It can be very hard to get out of if it doesn't work.'

'My advice is not to go to a big company as your local agent because they may not try too hard for you. Go to a medium-sized company because they will be hungry for business. I get a market search of the local agents through Austrade's Riyadh office (which covers Bahrain) and I go to meet them face-to-face to decide.

'It can be hard to get a proper check done in the Middle East, so I also suggest that people take out export credit insurance.

'In terms of dealing with the retail market, I would spend as much time as possible on the ground, looking at competing products. For example, speak to people in supermarkets, like the managers or the person responsible for the food line, to seek their opinions. Do your own in-market research, because nobody knows your product better than you.

'I always do a lot of desk research but the most important thing is to be present on the ground, to talk to people to round out the full picture.

'Personal relationships are very, very important. People won't do business with you unless they get to know you and like you. There is a great deal of competition in this part of the world. There are many people coming with products, which might be as good as yours, and it is your relationship with the buyer that will make the key difference.

'The great attraction of Bahrain is that it is a small market. You can study it well and it is easy to satisfy the demands of the market. It is close to Saudi Arabia and so it is attractive for Saudis to come over the causeway. This gives your product exposure to the Saudi market. Bahrain is also very easy to visit.

'For retail distribution, we entered the market over 40 years ago so I rely on existing contacts to expand my market share.

'When it comes to negotiating I always keep a little bit up my sleeve - but not too much, maybe 5% - to add in to the final deal. However when you set your price you should make it very close to the correct price and make it clear this is your best price. You are trying to establish trust, so don't suddenly take 20% off.

'Follow-up is very important. I make sure I visit the market at least twice a year. You don't want to leave more than six months between visits. I also try to email once a week and I make sure I telephone once or twice a month. You should never hesitate to pick up the phone and call.

'Business etiquette is also important. I apply the same courtesies as I would in other markets around the world. Don't throw a business card on the table; use two hands to present your name card, some people think you should only do this in Asia. Don't talk about religion and don't talk about family unless your host has opened the conversation or many years later when you get to know them well.'