



Doing Business in the USA

A comprehensive guide about business
culture and sales process in the USA



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Preface

In today's interconnected world, businesses need to acknowledge the importance of different cultures, norms and values. In order to be successful in conducting business abroad, one needs to understand and respect local attitudes towards work, but also towards everyday life, such as family, religion, and leisure time. The more one learns about these customs, the more successful they will become in communicating with people, resulting in higher success rate when it comes to business deals.

Culture impacts a lot of things when it comes to conducting business. It determines the pace of work, business protocols, how employees and projects are managed, propensity for risk taking, marketing, sales and distribution channels.

The goal of this booklet is to summarize some of the most important aspects of the U.S. culture and prepare Serbian companies and entrepreneurs to succeed in establishing business relationships with Americans. The first part presents information on different aspects of the U.S. culture that are important when it comes to conducting business, while the second part focuses on effective selling processes in the US market.



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Part 1: Business Culture in the United States of America



Since the country is known for its capitalist culture, it comes as little surprise that the people from the U.S. value hard work, punctuality, long working hours and dedication towards career more than many other countries in the world.

In terms of main differences between Serbian and American culture, one important thing is everyday communication style: in contrast to Serbian people, who communicate very directly and don't mind entering one another's personal space when greeting each other, Americans often use layered communication and are perceived as overly friendly, but value personal space (for instance, Americans usually refrain from hugs and physical contact during greetings). However, there are many similarities between the two cultures with regards to business meetings, negotiations, and conducting business in general - with some exceptions that will be discussed in different sections of this booklet.

Throughout last year, as a part of Venture an Idea project, Tesla Nation organized a series of events, inviting successful business professionals who live in the U.S. to share their experiences of working with Americans. Through real life examples and personal experiences, attendees were able to gain insights into American culture, their ways of doing business, expected behavior in business settings, and see the main similarities and differences between Serbian and American culture. Tesla Nation team incorporated these insights into this brochure and combined them with external sources to create a comprehensive guide for everyone who is working with people from the US or is planning to engage in business with Americans in the future.



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The United States of America is the third largest country in the world by land, consisting of 50 states, a federal district (Washington DC) and five major unincorporated territories. Being such a large country with a multinational population, it is not surprising that the culture differs across the region, so we can easily distinguish between the much more relaxed and family-orientated southern parts of the country, workaholic New York culture and tech savvy and innovation focused Silicon Valley.

We will summarize the main cultural characteristics of the United States as a whole, and later on dive deeper into two specific subcultures: New York City and Silicon Valley.

Punctuality, Appointments, and Local Time

To start with, it is always advisable to familiarize yourself with the time management practices in the region where you are planning to do business — time zones, national holidays, expected working hours, etc. Here we will share some general facts about time in the USA.

- The United States is divided into six time zones: Hawaii-Aleutian time, Alaska time, Pacific time, Mountain time, Central time and Eastern time
- People in the United States write the month first, then the day, then the year; e.g., December 3rd, 2010, is written 12/3/10.
- The concept “time is money” is taken seriously in this business culture
ALWAYS be on time! Being early = being on time
- If you are invited for a meal, you should arrive promptly. If you are invited to a cocktail party, you can arrive a few minutes to a half-hour late without calling.
- Unlike many nations, the U.S. does not have laws capping the number of hours worked per week, and many salaried employees are expected to work longer hours, or be available for after-hours meetings.
- U.S. companies do not offer as generous vacation benefits as businesses in Europe. The standard vacation policy is two weeks per year, in addition to some official holidays.
- The designated National Holiday is July 4th. (Independence Day)
- Many “convenience” stores (stores that carry frequently purchased products like gasoline, milk, and snacks, and so forth) are open twenty-four hours.



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Public Holidays

New Year's Day	January 1st
Martin Luther King Jr.'s Birthday	January 17th
President's Day	third Monday in February
Memorial Day	last Monday in May
Independence Day	July 4th
Labour Day	first Monday in September
Columbus Day	October
Veterans Day	November 1st
Thanksgiving	Last Thursday of November
Christmas Day	December 25th



Periods when companies usually close

New Year's Day	January 1st
Memorial Day	last Monday in May
Independence Day	July 4th
Labour Day	first Monday in September
Thanksgiving	Last Thursday of November
Christmas Day	December 25th

Holiday Compensation: Yes (Monday or Friday)

Language and Communication

Communication is part of everyday life, and people around the world communicate differently — this applies not only to using different languages, but also to general communication styles. What might be considered normal in one culture might not be acceptable in another, which is why it's important to familiarize oneself with such things before approaching a new market. In this section, we'll point out the most important things when it comes to communication etiquette in the US.

- English will be used almost 100% in business conversations. However, Spanish is getting increasingly important due to the country's proximity to Mexico and Central America and the large population of Spanish-speaking citizens in the country.
 - **General advice:** Always work on improving your level of English!
- The desire of many Americans to debate issues directly and openly leads to them being perceived by some cultures as aggressive and even rude. Coded speech and verbosity is often seen as time-wasting.
- Whether a colleague is a man or a woman should be ignored, except when it comes to personal questions. Women should not be asked if they are married. If a woman mentions that she is married, you should simply ask a few polite questions about her husband or children.
- Some common topics of conversation are a person's job, travel, foods (and dieting), exercise, sports, music, movies, and books.
- Americans tend to adopt sports terms in their business speech ("Touch base", "Call the shots", "Ballpark figures" and "Game plan" are a few examples).
- Most business people now display their position and pertinent details in the signature of their email messages template, so business cards tend to be less and less needed. Another medium of communication is increasingly used: LinkedIn. It is replacing business cards as the go-to way to meet contacts and pass on details.

Greetings

- The standard greeting is a smile, often accompanied by a nod, wave, and/or verbal greeting.
- Paradoxically, on first introductions, Americans can seem very friendly, polite and solicitous of your well being, which might seem at odds with the verbal behavior they might exhibit half an hour later in the meeting. This overt friendliness ('Have a nice day!', 'Hi, how are you doing?' etc.) should be taken for what it is – part of the socio-linguistic practice, and not as an attempt at establishing a life-long friendship.
- **Compliments are exchanged very often.** They are often used as conversation starters. If you wish to chat with someone, you can compliment something that person has (e.g., clothing) or has done (a work or sports-related achievement).
- The standard U.S. conversation starter is "What do you do?"- meaning "What kind of work do you do, and for whom?" This is not considered at all rude or boring. Actually, to many U.S. citizens, you are what you do
- The greeting "How are you?" is not an inquiry about your health. The best response is a short one, such as "Fine, thanks"
- In business situations (and some social situations), a handshake is used. It is very firm and generally lasts for a few seconds. Gentle grips are taken as a sign of weakness. Too long of a hand clasp may make business people uncomfortable.
- Americans usually refrain from greetings that involve hugging and close physical contact.
 - The standard space between you and your counterpart should be about **two feet**. Most executives will be uncomfortable standing at a closer distance.
- Executives from the United States are well-known for telling acquaintances to use their first names almost immediately. This should not be interpreted as a request for intimacy, but rather as another cultural norm. Even people in positions of great authority cultivate down-to-earth, accessible images by promoting the use of their first names, or nicknames.
- Emails are expected to be short and straight to the point in order to be quick to read, direct, clear and efficient.
 - **General advice:** Identify problem and course of action

Meetings

When doing business, meetings are an unavoidable part of everyday interactions. In this section, we will present important tips for conducting and attending meetings with US clients.

- Before the meeting, always research the client company, the key stakeholders, and map out the organizational chart.
- Americans value transparency, direct communication, efficiency, optimism, and a “can-do” attitude.
- If you make a mistake, own it. Americans appreciate honesty - they are not interested in excuses and blame games, but rather in getting things done.
- Respect is earned through conspicuous achievement rather than through age or background, thus you should always work on building trust with a client.
- U.S. executives begin talking about business after a very brief exchange of small talk, whether in the office, at a restaurant, or even at home.
- Americans are generally more interested in your product, service or project, expected payoffs as well as quality of the business collaboration, rather than trying to create a personal relationship.
- The use of handhelds, cell phones, and associated devices are common in business meetings. Taking calls while others are in the room can be highly irritating to international visitors - but be aware that it is common practice.



Before the meeting, always research the client company, the key stakeholders, and map out the organizational chart.



Negotiating

Negotiation skills are an **extremely important** part of the business process – they impact closing deals and setting conditions under which the business will be conducted. Therefore, it is crucial to be able to adapt your negotiation style to the clients in specific regions. In this section, you can find advice that will help negotiations with American clients.

- Business executives are used to making up their minds quickly and decisively. They value straightforward and to-the-point information.
- **Business is done at lightning speed** in comparison to many other cultures. U.S. salespeople may bring final contracts to their first meeting with prospective clients. In large firms, contracts under \$10,000 can often be approved by one middle manager in one meeting.
- In the States, **money is a key priority** and an issue that will be used to win most arguments.
- American executives are risk-takers and they are willing to take chances.
- Americans usually dislike periods of silence during negotiations. They may continue to speak simply to avoid silence.



Business is done at lightning speed in comparison to many other countries!



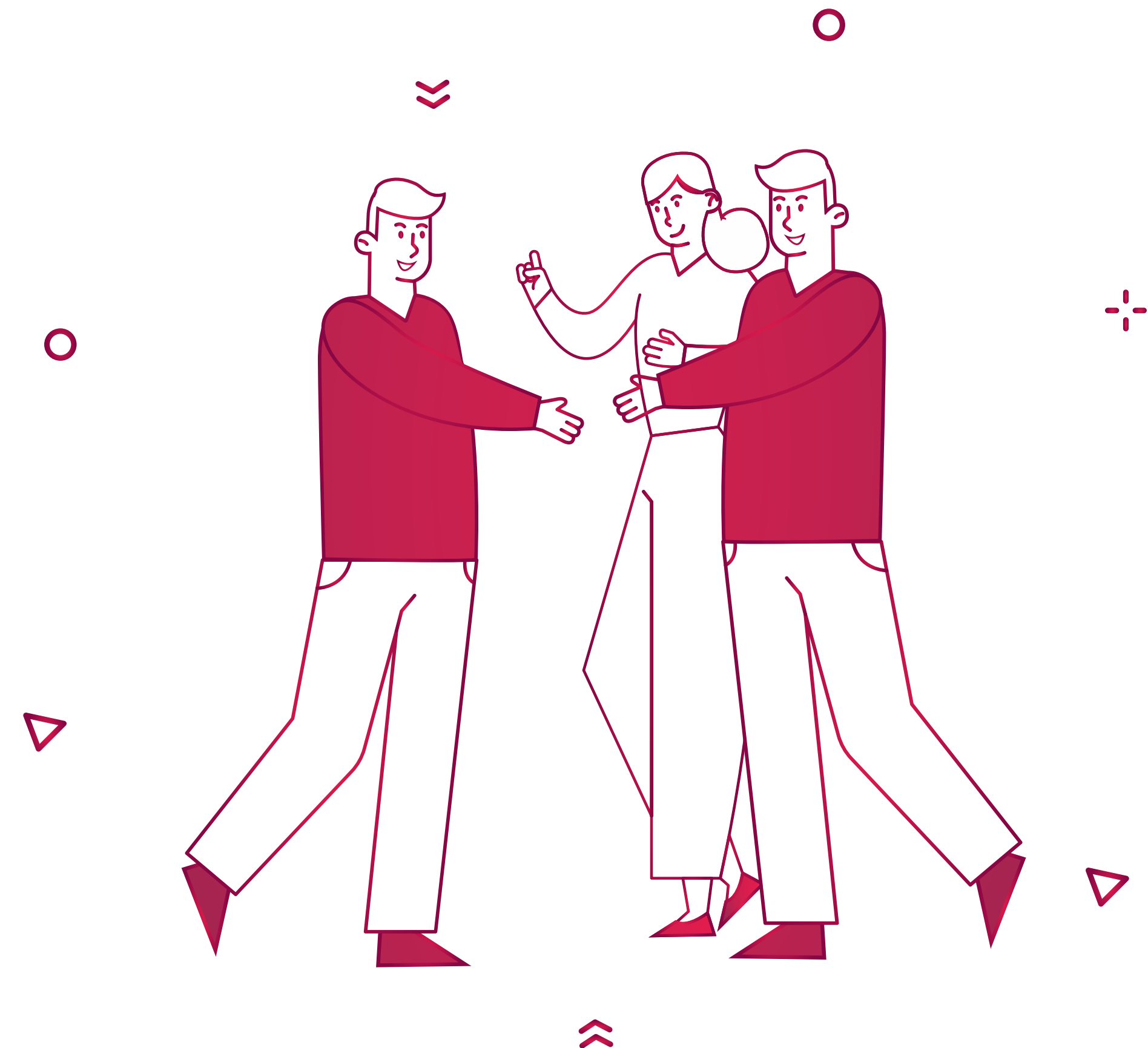
- Executives are direct and will not hesitate to disagree with you.
- Persistence is another characteristic found in American businesspeople.
- Moreover, they will try to explore all options when negotiations are in a deadlock.
- Americans tend to be future oriented, and **innovation will prevail over tradition.**
- Regardless of the negotiator, company policy is always followed.

✦ Bussines Entertainment

As everywhere else in the world, Americans also like to relax and have fun.

How do you behave at happy hours, company parties and networking events?

In this section we'll share some advice on how to make the best out of these events, as well as some things that you should refrain from when it comes to having fun with your business acquaintances outside of working hours.



Business parties

Most parties are informal, unless the hosts tell you otherwise.

DO's:

- Be yourself, be respectful and have fun!
- Ask open-ended questions and listen actively
- Remember names and connect on LinkedIn

DON'TS:

- Don't be grumpy and gossip
- Don't be disrespectful and don't interrupt people
- Don't talk just about work and don't talk about politics

How to make the most of every business event?

- Have a plan for who you want to meet
- Mix business and pleasure — enjoy the event, but also make sure you create some business connections!
- Follow up with people that you met at the event

Going out to eat:

- Business breakfasts are common and can start as early as 7:00 a.m.
- Business meetings are very often held over lunch. This usually begins around 12:00 noon and ends by 1:30 or 2:00 p.m. Lunch is usually relatively light, as work continues directly afterward. An alcoholic drink (usually wine or beer) may be ordered.
- Dinner is the main meal; it starts between 5:30 and 8:00 p.m., unless preceded by a cocktail party.
- On weekends, many people enjoy “brunch,” a combination of lunch and breakfast beginning anywhere from 11:00 a.m. to 2:00 p.m. Business meetings can be held over brunch.



**Business breakfasts are common
and can start as early as 7:00 a.m.**



- When eating out, the cost can be shared with friends. This is called “splitting the bill,” “getting separate checks,” or “going Dutch.”
- If you are invited out for business, your host will usually pay.
- If you are invited out socially, but your host does not offer to pay, you should be prepared to pay for your own meal.
- If you invite a U.S. counterpart out socially, you must make it clear whether you wish to pay.
- Tipping is customary in the U.S., and most certainly in NYC. When a person performs a service, you are expected to tip at least 15%. Failure to offer a tip is considered rude by U.S. standards.
- U.S. coworkers or friends will probably enjoy learning a toast from your country.
- Before lighting a cigarette, ask if anyone minds, or wait to see if others start to smoke. Smoking is generally prohibited in public places: in airplanes, office buildings, at stadiums, and even in bars. Large restaurants in some states usually have a section where smoking is permitted. Many hotels designate rooms as smoking and non-smoking.

“Tipping is customary in the U.S., and most certainly in NYC. When a person performs a service, you are expected to tip at least 15%. Failure to offer a tip is considered rude by U.S. standards.”

Other useful information about business entertainment:

- Before going to visit a friend, you should call ahead. However, in different regions of the country (e.g, the South) good friends and neighbors do “drop in” on each other.
- If you are offered food or drink, you are not obliged to accept. Also, your host will probably not urge you to eat, so help yourself whenever you want.
- Golf is a very popular sport, especially among business executives. Golf is normally a venue for business deals. So be prepared to play golf and talk about business at the same time.

Dress Code

Choosing the appropriate dress code can sometimes be challenging. In this section, we will share some general insights about dress code in the U.S, but the best advice is always to check /ask in advance what the dress code is (for many events, this will be written in the invitation, but if not, it's totally fine to ask).

- Dress code in the States is very variable – check on the appropriate mode before departure.
- For the first meeting, you won't go wrong if you dress conservatively. Afterwards, you may follow the example of your American counterparts.
- **Certain professions may prize formality more than others.** For instance, those in finance, accounting, or sales tend to dress and speak more formally than those in academia, media, or tech.
- In certain firms, conservative business attire may still be expected; however, many companies have adopted a “**business casual**” policy. Firms generally have guidelines about specific garments that are not appropriate (i.e., ripped or see-through clothing). However, many items that were not condoned a decade ago are now commonly worn everywhere from networking to manufacturing firms (i.e., khaki shorts, sportswear, etc.).

Gifts

Finally, in this section we will touch on the culture of sharing gifts in the U.S. This can vary significantly based on the country, so in order to avoid insulting someone or ending up in an inappropriate situation, it could be useful to know a couple of things on this topic.

- Because of anti-bribery policies, it is advised not to offer gifts to your U.S. partners.
- Business gifts are usually presented after the deal is closed. In most situations, gifts are usually unwrapped immediately and shown to all.
- When you visit a home, it is not necessary to bring a gift; however, it is always appreciated. You may bring flowers, a plant, a bottle of wine, chocolates, etc. If you intend to stay in a U.S. home for a few days, a gift is appropriate. You may also consider writing a letter of thanks.

- At Christmas time gifts are exchanged. For your business associates, you can give business-related gifts that are useful at the office, or liquor or wine. Most stores gift-wrap at Christmas.
- The best gifts are those that come from your country.
- Taking someone out for a meal or other entertainment is a common gift.



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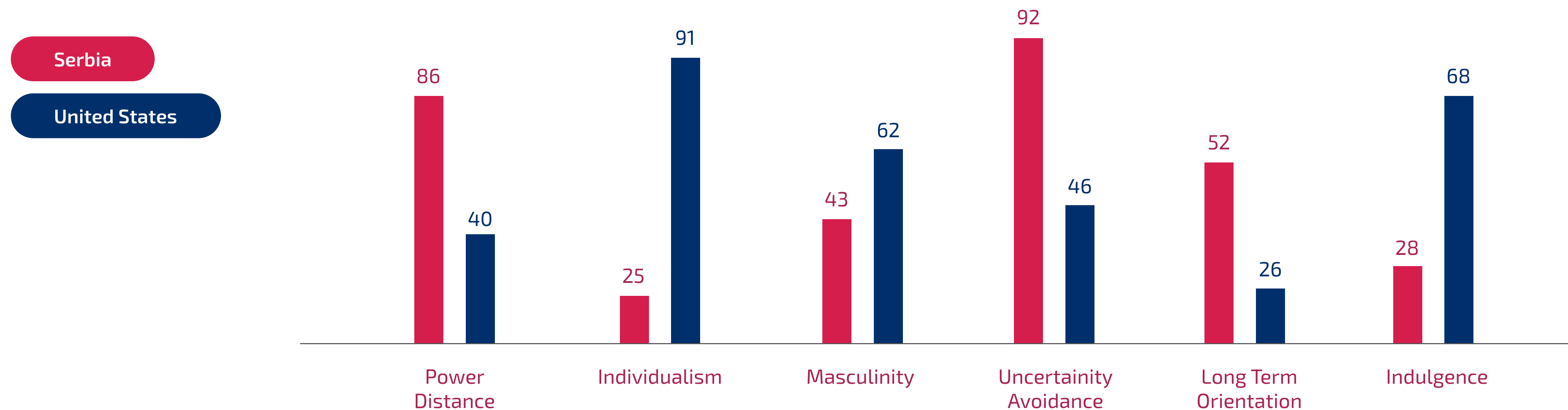


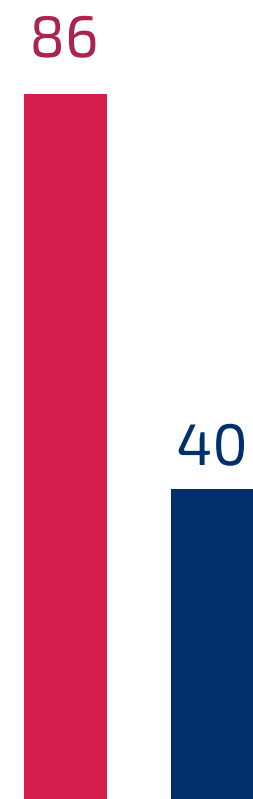
Comparing people from Serbia and the U.S.

So far, you have had an opportunity to learn more about American culture: how Americans behave in everyday life as well as in the office, what they value, and what things they consider inappropriate. In this section, we will point out some differences between people from Serbia and people from the USA using the Hofstede cultural dimensions framework.

Hofstede cultural dimensions:

Hofstede's cultural dimensions theory is a framework for cross-cultural communication, developed by Geert Hofstede. It shows the effects of a society's culture on the values of its members, and how these values relate to behavior, using a structure derived from factor analysis. In the graph below, you can see how the United States compares to Serbia in these 6 dimensions.





Power distance

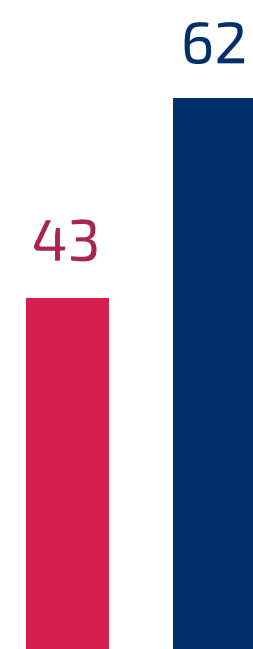
It is defined as the extent to which the less powerful members of institutions and organisations within a country expect and accept that power is distributed unequally. As seen from the graph, in Serbia, hierarchical power is much more important than in the U.S. Therefore, we would expect that in the U.S. the relationship between people holding management positions and those who are not is less formal. However, we should be aware that it is not always the case (ex. corporations) and it is always advisable to look into the company's culture.



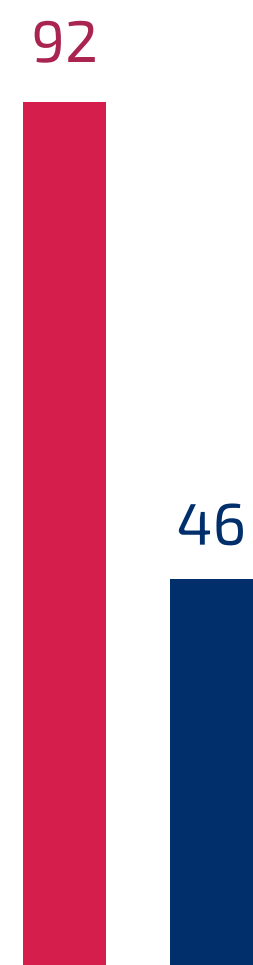
Individualism

In individualist societies people are only supposed to look after themselves and their direct family. In collectivist societies people belong to the "groups" that take care of them in exchange for unquestioning loyalty. Being well-known as a capitalist country, it is not surprising that the U.S. scores very high on these dimensions, and this might be one of the biggest differences between Serbia and the U.S. In societies that are very individualistic, people are more oriented towards their own goals and interests, and rely less on people in their surroundings.

Masculinity



This dimension looks at how much a society values traditional masculine and feminine roles. Based on the definition provided by Hofstede (1980), a “masculine” society values assertiveness, courage, strength, and competition, while a “feminine” society values cooperation, nurturing, and quality of life. Even though it is connected to individualism in the sense that individualistic countries usually also score high on masculinity dimensions, we see that the difference between Serbia and the U.S. is lower than in the previous case. We can conclude that, to some extent, both Serbians and Americans like to enjoy things they do, with Americans being also slightly more competitive among each other.



Uncertainty avoidance

It has to do with the way that a society deals with the fact that the future can never be known: should we try to control the future or just let it happen? Serbia scores very high on this dimension (92), meaning that Serbians prefer to avoid risky situations and unknown things, while Americans are more risk-taking.

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Long Term Orientation

It describes how every society maintains some links with its own past while dealing with the challenges of the present and future. For example, countries which score low on this dimension, prefer to maintain time-honored traditions and norms while viewing societal change with suspicion. The USA scores lower than Serbia in this dimension, implying that the American people accept changes with more difficulty than Serbians.

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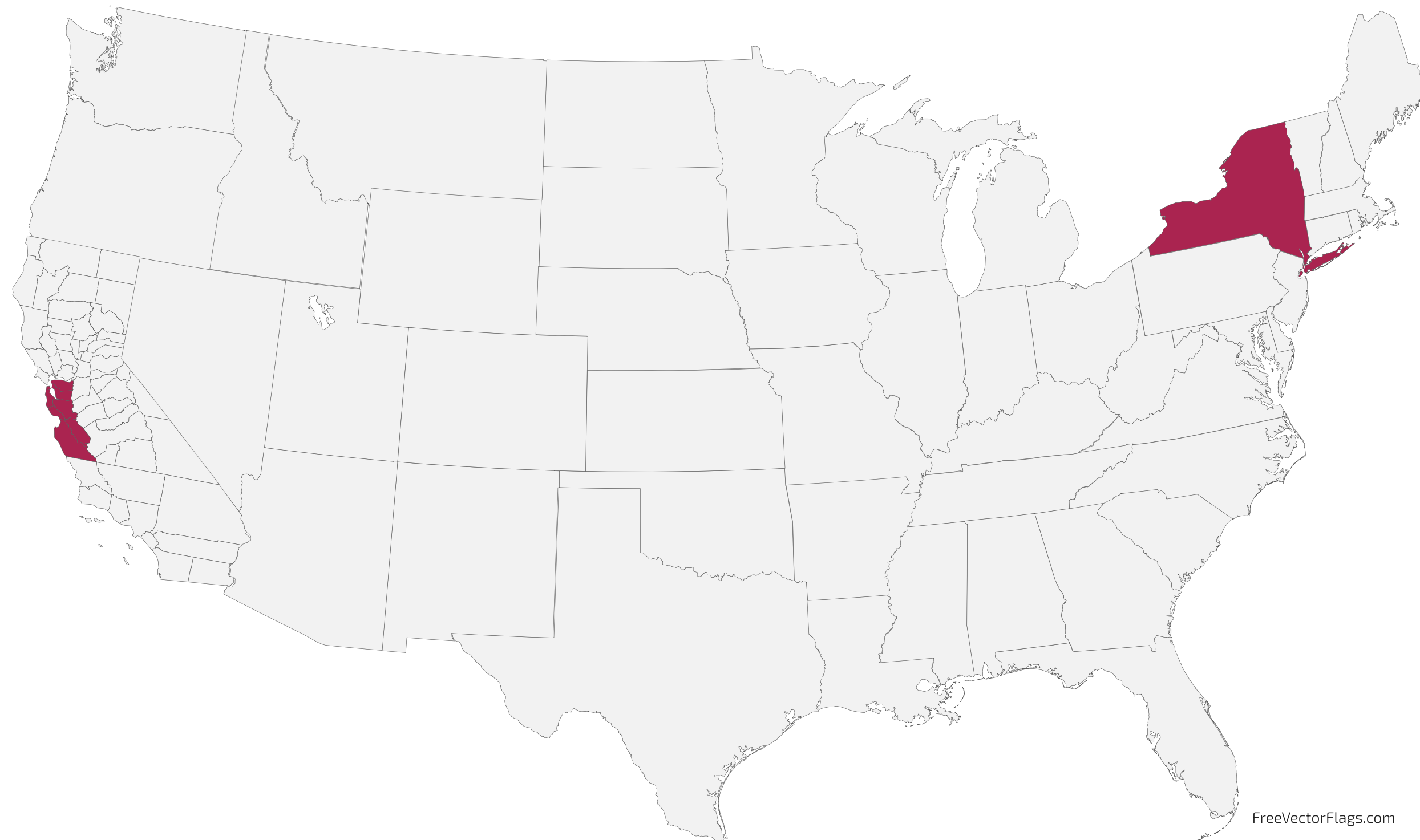
Indulgence

It is defined as the extent to which people try to control their desires and impulses, based on the way they were raised. A tendency toward a relatively weak impulse control is referred to as "Indulgence", whereas a relatively strong control over their urges is called "Restraint". As seen from the graph, Serbians are much more impulsive than Americans.

These dimensions tell us how, on average, people from certain countries might behave. Being aware of these results can help us better understand societies and people from different countries. However, it is important to note that these cultural dimensions in no way imply that every person from a given country would behave in the ways indicated by the graphs.

Subcultures of the USA: New York City and Silicon Valley

In this section, we will take a closer look at two very important subcultures in the U.S: the financial center of the world - New York City, and the largest tech and innovation hub in the World - Silicon Valley.



New York City

New York City is an extremely diverse multicultural environment with a fast-paced lifestyle. There are over 300 languages that are spoken in NYC and one can encounter people from various regions of the world, resulting in a huge amount of different cultures. In this section, we will provide some advice on how to adapt to culture and conduct business successfully in New York City.

Work lifestyle in New York

- New Yorkers are workaholics, efficient and direct in communication
- Generally speaking, East Coast residents like those in New York, Boston, and Philadelphia are known for logging longer hours, and for a “Work hard, play hard mentality,” while those in the West Coast or in Southern cities like San Francisco and Atlanta tend to value work-life balance.
 - You could expect work hours to go from 70 to 100 hours per week
 - Career is a measure of success
- There is huge capital and money movement
- Communication in smaller companies and startups is more direct, while in corporations people tend to use layered approach when communicating.
- Make clear what you want to achieve, what you hope to give and get out of a deal
- Self-advocate and make sure you highlight and share your results - this is totally normal in NYC culture!
- A tie doesn't really matter outside of banking and law, but “neat and professional” means your outfit should show you mean business.



New Yorkers are workaholics, efficient
and direct in communications



- Women should go for tailored, stylish lines. Same for the men: go for well-appointed, well-ironed slacks, jacket and shirt.
- Avoid bright colors
- The most gracious option for a dinner-party gift is a small bouquet of flowers, delivered early on the day of the party. If you've forgotten to arrange for flowers, bring a bottle of white or red wine in the \$30-\$50 range at most.
- Unlike Europeans who like talking about literature and art during a social dinner, New Yorkers want to know what you are passionate about, what you are working on: discuss how you got into your field, why it interests you, and tell people how you operate differently in your country only if it is useful to others.
- In this age of social media and email blasts, nothing shows off your manners more than a handwritten thank-you note. In New York, it should accompany a thoughtful email sent immediately after the dinner, announcing you had a lovely time and that, of course, a note is on the way.

Self-advocate and make sure you highlight and share your results - this is totally normal in NYC culture!

Silicon Valley

Silicon Valley is synonymous with creativity, collaboration and innovation, and it is well-known for its startup culture. In this section, we will try to bring you closer to the business etiquette of this region and share some tips on doing business in this part of the West Coast. One important thing to note is that Silicon Valley and northern California are very progressive in terms of social issues. Therefore, one should be especially careful when talking about sensitive topics such as politics, human rights, gender issues etc, and make sure to always use inclusive language and neutral pronouns – it is not uncommon to ask a person whether they use pronoun he or she, and when in doubt, one can always use a pronoun they.

Work lifestyle in Silicon Valley

- Silicon Valley has “a culture where teams self-organize; people from various functions come together to work on specific projects by habit, not by exception; and good ideas gain momentum organically by attracting talent from around the business.” This grassroots collaboration that drives innovation is made possible by the informal gathering spaces such as cafés and lounges.
- Work cafés have become a central hub of the modern office as a place for employees to meet in groups, conduct solo work or socialize with peers.
- One thing a visitor to Silicon Valley notices is the stereotypically laid-back California way of life, from casual attire to coffee-shop hangouts. Yet that laid-back attitude is just part of the story. Indeed, the behavioral flip side includes a frenetic pace and aggressive deadlines. Product development cycles for many companies typically span just weeks, not months.

One thing a visitor to Silicon Valley notices is the stereotypically laid-back California way of life, from casual attire to coffee-shop hangouts.

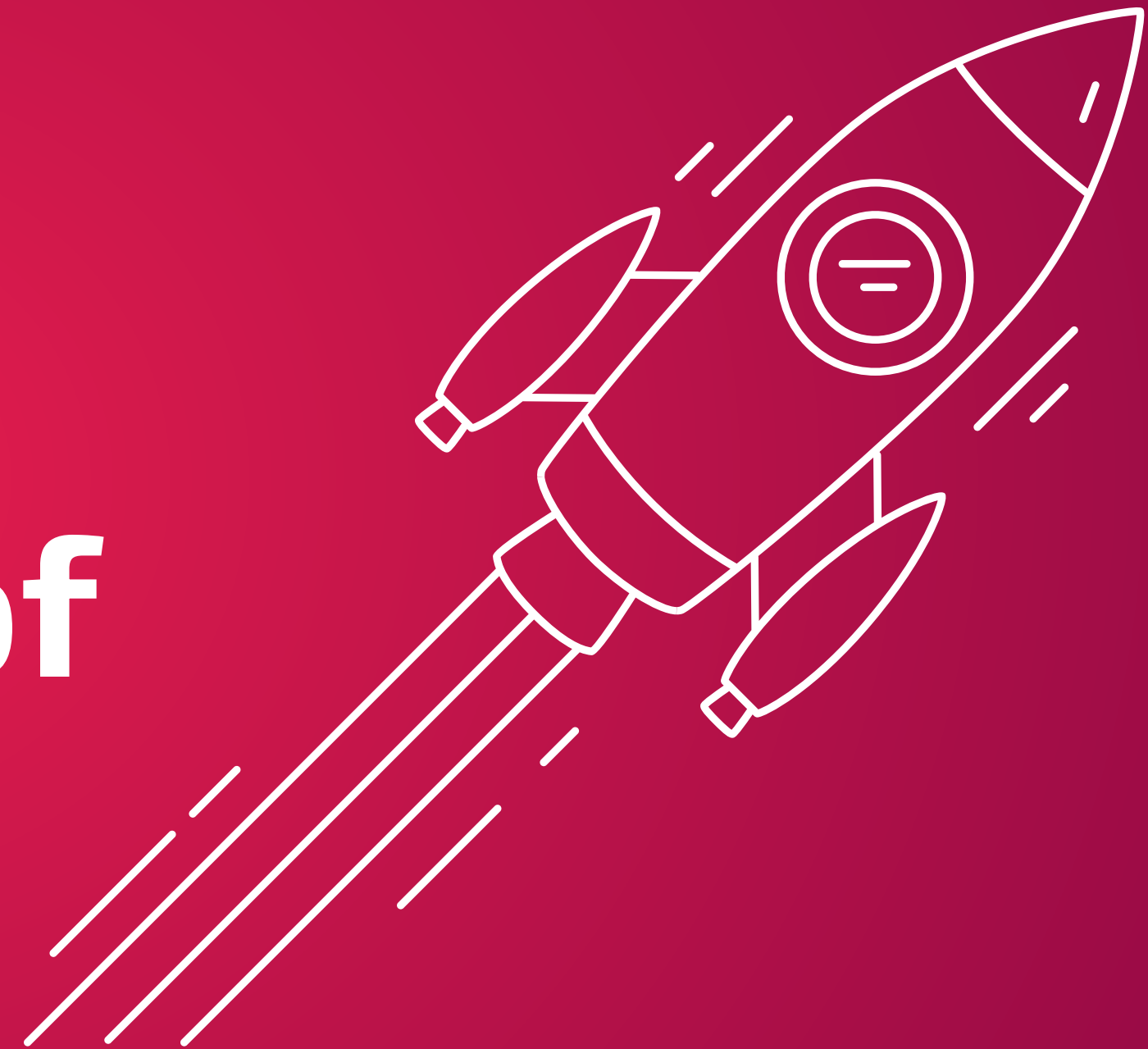
- What really drives Silicon Valley companies is an emphasis on getting things done quickly rather than agonizing over every potential flaw. A sign painted on a wall at Facebook summarizes that attitude: "Done is better than perfect."
- High value is assigned to experimentation and to incremental, iterative progress rather than trying to figure out everything at the outset of a project. A common mantra is "Do it. Try it. Fix it."
- Silicon Valley employees have a healthy appreciation for the importance of good teamwork

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Silicon Valley employees have a healthy appreciation for the importance of good teamwork

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Part 2: How to **successfully sell in the United States of America?**

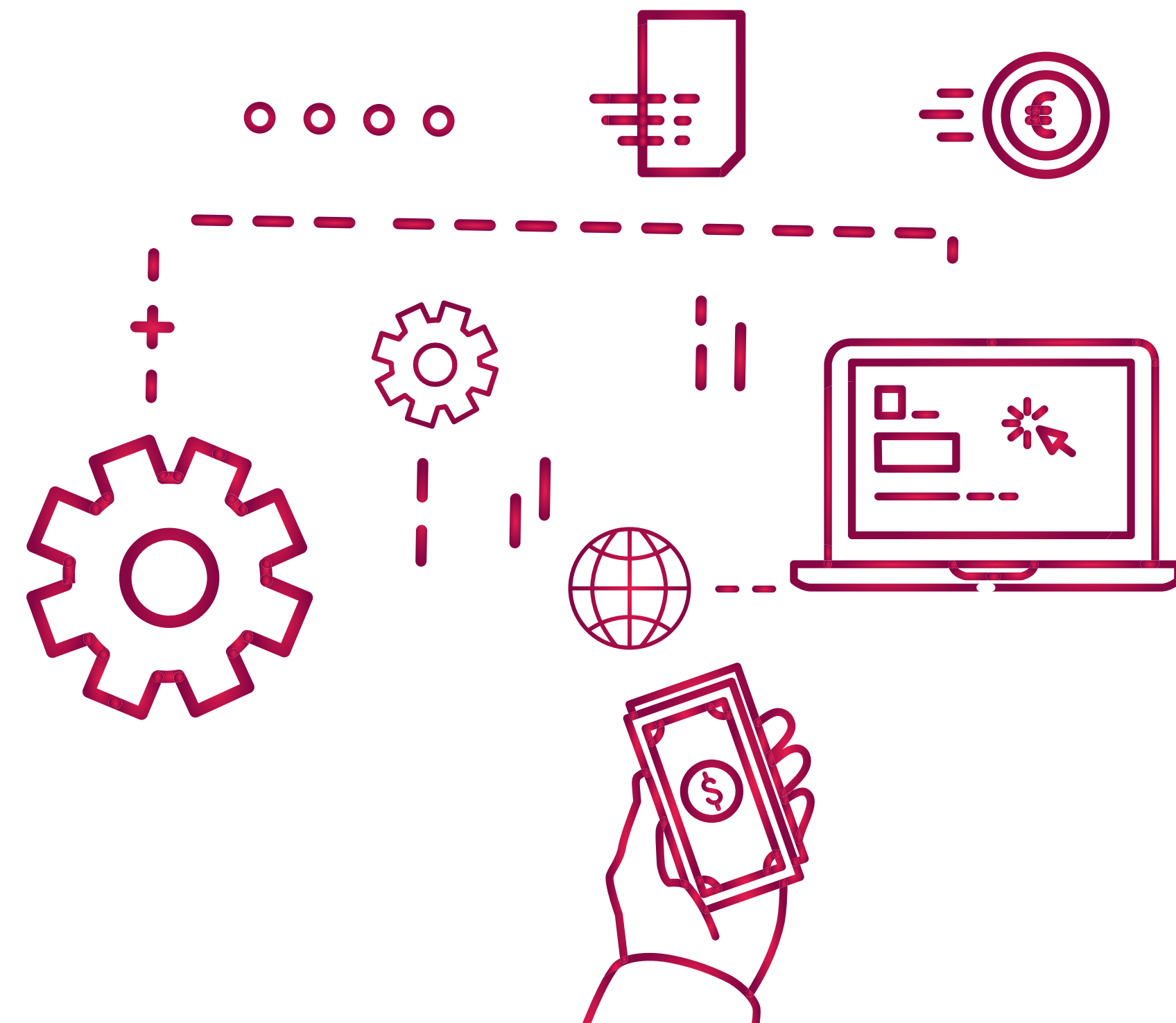


In the first part of the booklet, we focused on understanding American culture and highlighting some of the main differences between Serbia and the U.S. In the following section, we'll move on to the practical side of business - closing deals and selling to the Americans!

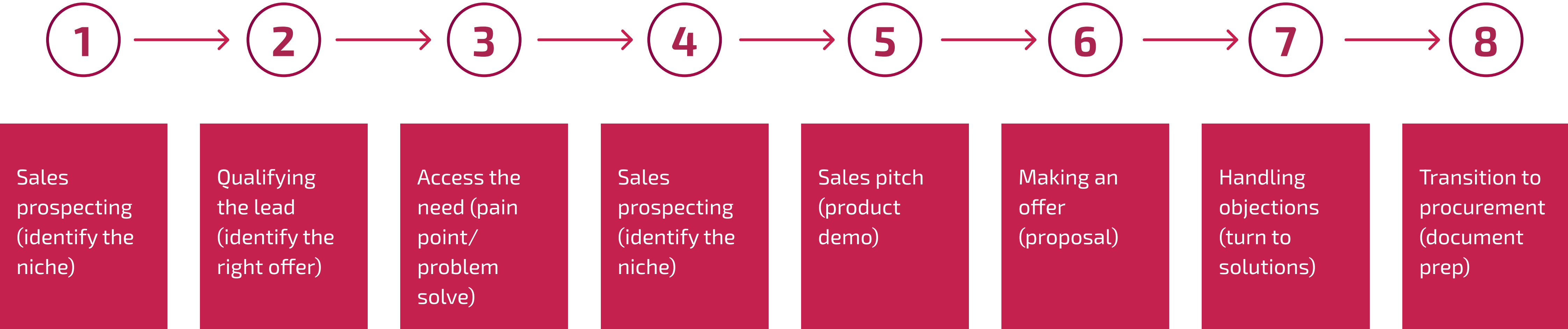
We will go through the sales cycle in the U.S. and share some useful tips along this journey. It is important to keep in mind the cultural differences and apply the knowledge acquired in the previous section to the sales process and communication with prospective clients.

Sales Cycle

Sales is a complex process that consists of multiple steps. In order to successfully close the deal, it is important to understand each phase, focus on the things that will increase chances of success and avoid those things that could lead to disruption in the process. Aim of this section is to go through each phase, highlight the most important things that one should be aware of and share some tips for each of the steps.



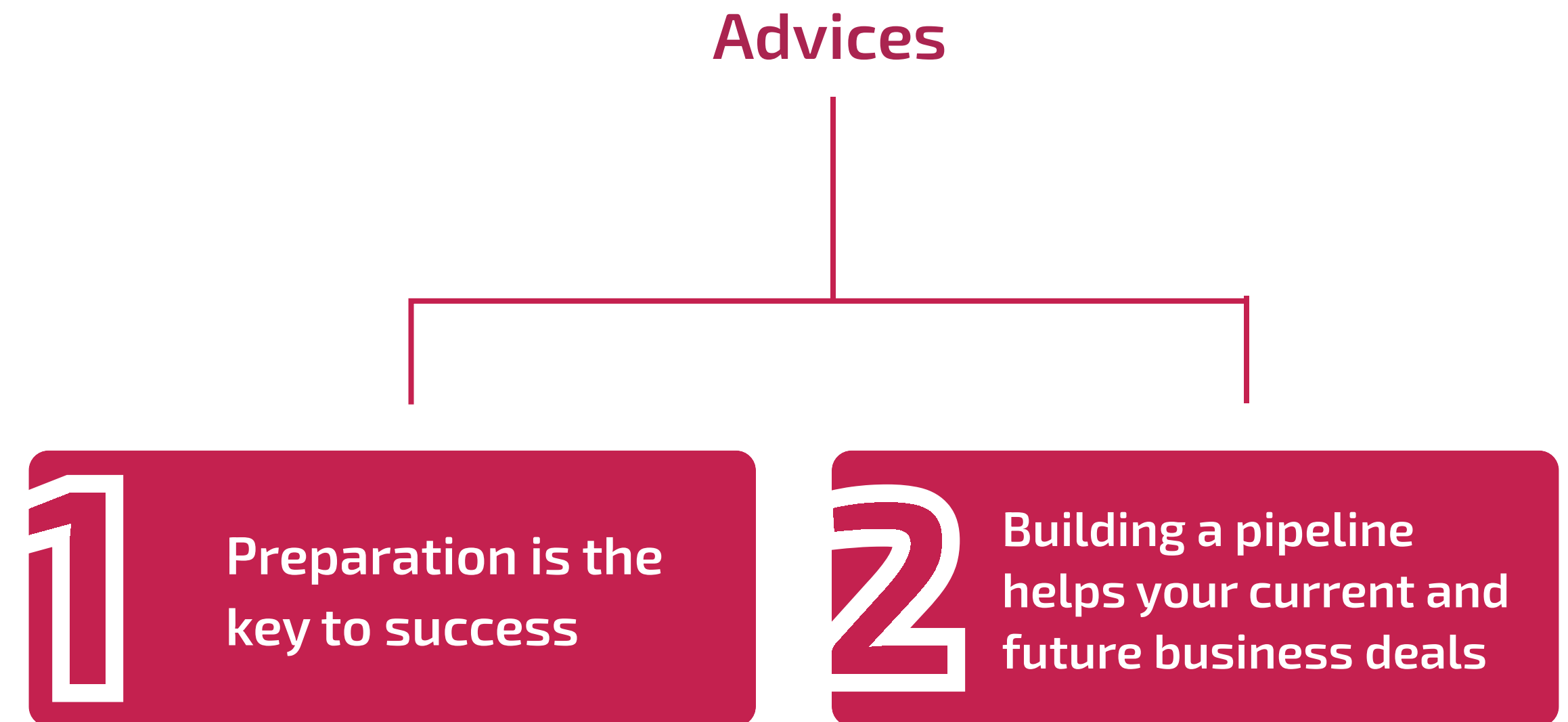
Sales Cycle - All The Steps



Phase 1-3: Prospecting and assessing the leads

The first three phases cover activities in the process prior to actual meeting with the potential client. Sales prospecting and qualifying the leads are very important because, when done right, they save time and energy that would otherwise be spent on unqualified leads. You want to arrange meetings only with potential clients that fit your target market, that have a need and money to hire you and for whose needs you have the necessary expertise to offer service.

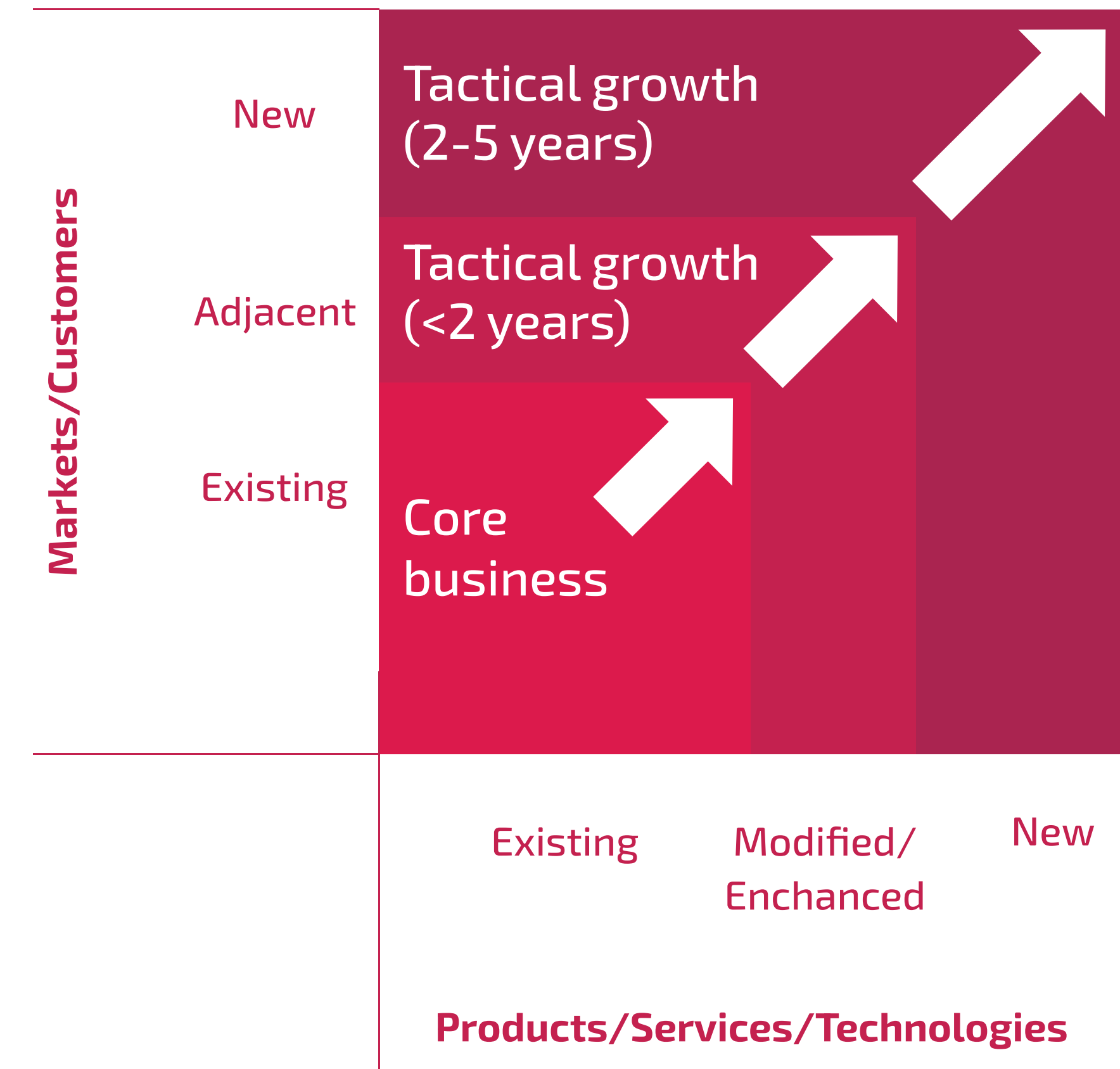
Furthermore, once you decide on qualified leads, in the next step it is crucial that you identify the client's exact pain point and the needs that they have. Collecting enough information prior to creating a sales pitch would allow you to tailor the pitch to a specific client and increase your chances of moving forward with the client. Below, we will share some tips in regards to prospecting and assessing the potential clients.



Tip 1: Preparation is the key to success!

Understand the size of the client: is it a startup or corporation?

- If you are aiming at corporations, it is important to research their corporate strategy. This will help you identify how your product / service can align with the goals of a specific organization. The figure below shows the three areas in which corporations are planning to invest:
 - their core business - current business
 - tactical growth - plans for modifying/enhancing products within next 2 years
 - strategic growth - plans for next two to five years where the organization is looking to enter new market and create new product



Source: Arthur D. Little Growth and Innovation Survey 2010

Understand your new market

- What is the geographic region and the culture of this region?
 - General advice: Make sure you inform yourself about cultural differences!
- What is the industry and does it have certain regulations?
- What are the specific pain points?

Usually, you could find information about a corporation's strategic plans and mega trends in executive reports and presentations.

Tip 2: Build pipeline

Ways in which you can find potential leads:

- Cold campaigns: phone calls, LinkedIn, email campaigns
- Channel: resellers, outside company / person that refer you to a business for a fee
- Referrals from old clients

Referrals from old clients lead to:

1 **Best conversion rate
(clients 4x more likely to buy)**

2 **Life time value of the
customer is 16% higher**

3 **18% lower churn rate**

Phase 4-5: Sales pitch

After setting up a meeting with a potential client, it is time to create a sales pitch. Here are some of the tips in regards to creating a pitch that would increase your chances of successfully closing the deal.

Tip 1: Americanize your value proposition

It is important to understand the culture and business practices of your client. Please refer to the first section in order to learn more about business culture in the U.S., and below you can find some additional advice for creating a value proposition:

- Adapt your current value proposition to the new market
- Pitch has to contain a clear objective, simple slogan and clear call to action
- Identify buying persona in that specific company
 - Who signs the check? Who do they report to? What does the organizational chart look like?

Tip 2: Create an effective presentation

The effective presentation should take into consideration the following:

- Who is presenting?
 - Person that has the most chances to close the deal
- Who is in the audience?

Ask yourself, are they potential buyers, strategic partners, investors?

Tip 3: Include “Features vs benefits” strategy into your presentation:

Don't just talk about features that your product / service has, show the value that it creates for the client - for example. how much money it will save, how much additional revenues it will generate, etc.

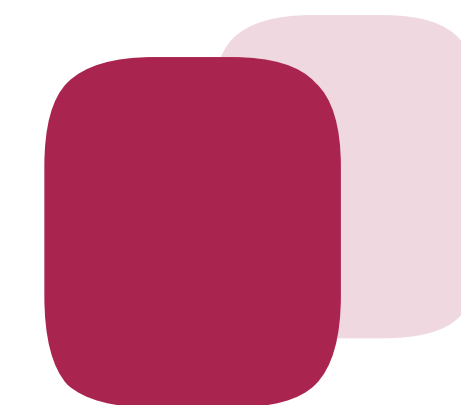
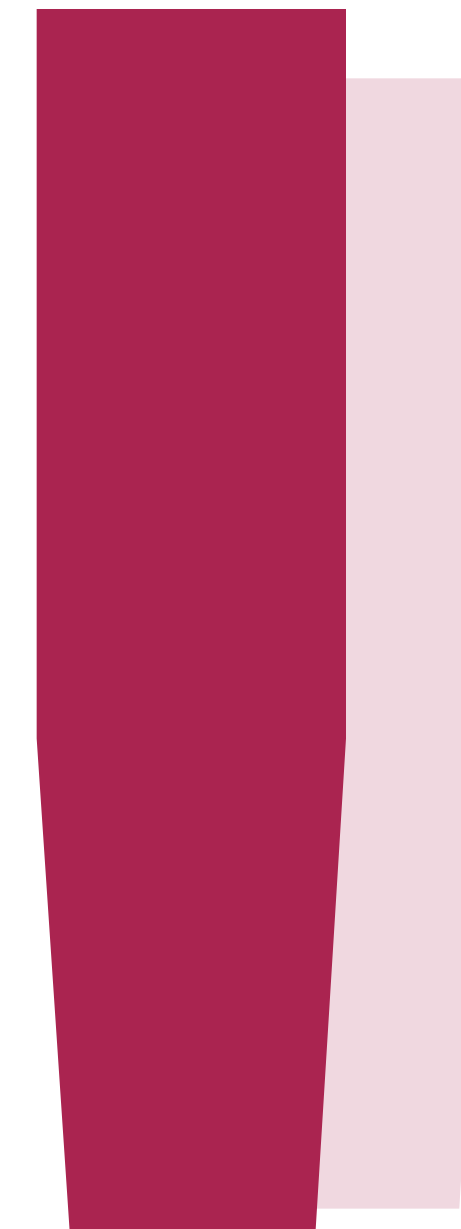
- Highlight client's frictions and pain
- Explain how you solve the problem
- Don't sell, rather consult
- Don't just pitch, rather engage the audience
- Ask open ended questions
- Be confident, yet humble

Phase 6: Handling objections

Many times, the clients will have additional questions and doubts. They will try to question your product /service, lower the cost, compare your service to the competitors' in order to get a better deal, etc. It might not be pleasant, but it is also part of the sales process! Here are a couple of tips that could help one deal with objections from potential clients.

Tip: How to handle objections?

- Be honest: if you don't know the answer, it is better to tell the client that you would check and get back to them than trying to guess or say something inaccurate.
- Don't bash competition!
- Always go back to your value proposition: how does it solve the client's pain point and how much benefit it will bring them.
- Always quantify



Phase 7-8: Closing the deal

Once the client agrees on your offer, it is time to sign the deal.

During the procurement process, you would need to file and sign various documents. We will list below some of the most important documents, but we advise that you consult your tax and legal expert in regards to filing them:

- Contract: professional services agreement
- Request for Proposal (RFP) and Request for Quote (RFQ)
- Tax documents: W9 and W8
- Supplier Registration Form
- Vendor Risk Assessment Questionnaire
- Purchase Order and Invoice



Finally: Don't forget to always follow up!

Nurturing business relationships with your clients and potential leads is an important part of doing business.

- Always add your notes from meetings with clients in CRM - this way you can manage timeline easier
- Send follow up email with bullets, timeline and stakeholders
- Every time you contact a client, add some value
- Send gift baskets for holidays or special occasions

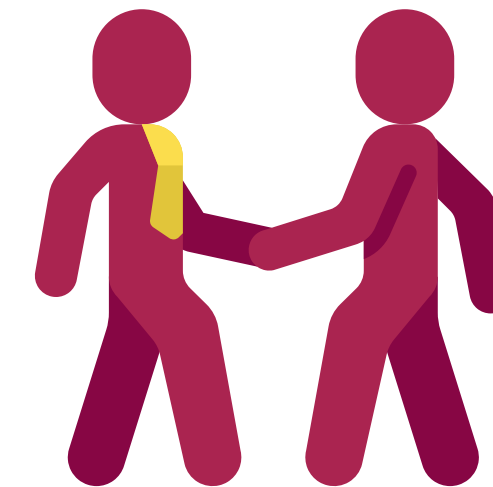
Three types of clients with whom you nurture the relationship:



Clients that are currently not interested -
contact them with some value once in a quarter



Clients that are not currently ready (ex. Waiting for the budget) -
follow up once a month



Immediate clients -
follow up weekly in order to ensure that process is moving as expected



What to do if the client does not pay?

Unfortunately, sometimes clients delay payments for services for various reasons. Even though it can be very frustrating, **it is important to stay professional**. In this section, we will share general advice on how to approach such a situation.

Many times in situations like this, the delay from the client's side comes simply because the client forgot. In the world of multitasking and busy schedules, it happens sometimes. In this case, one follow up email would probably solve the situation, and if there is no response, one could send a reminder email and eventually make a phone call. Don't threaten and insult the client, as in this phase it could still be some unexpected situation without bad intentions from the client's side and it could be resolved quickly, but more importantly, you don't want to burn the bridges for future potential collaboration.

If the client doesn't answer reminder emails and phone calls, in the next phase you could offer the client to pay in installments. There is a possibility that the client is experiencing financial troubles and the offer to pay in installments could resolve the situation. It might not be the ideal option for you, but it would still allow you to collect the payment from the client over the next period.

Finally, if the client is still non-responsive, you have two options: to pursue legal action against the client or to hire a collection agency. Collection agencies buy out debt for a certain fee - in this way, even though you have to give part of the money to the agency, you would still receive the majority of the payment and be able to move on to serving other clients without losing more time with attempts to collect your earnings!





Conclusion

This booklet summarizes the most important differences and similarities between Serbian and American people, with a hope that it will facilitate the business communication between these two groups of people and increase the number of successful deals. It also outlines the major phases of the sales process and, among other practical advice, showcases how the differences and similarities between the two cultures should be applied in concrete situations.

When doing a business with foreigners, one should be aware of the differences in cultures and in ways the business is done. It is crucial to adapt to the new environment, but also to acknowledge that, besides the differences in communication style, tone, greetings etc, there are a lot of similarities. We are all professionals whose goal is to get the business done in the best possible way, while also enjoying the outside office activities with family, friends and coworkers — and once we remove the friction and find the common ground, doing business will become easier as well!

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