

Spain country brief

Spain's economy is the ninth biggest in the world. Although farming and agriculture continue to be important, manufacturing (motor vehicles, pharmaceuticals, technology and telecommunications) and services (tourism and construction) are its pillars. It is a sophisticated and diverse market with opportunities for almost any product already selling well in other European Union (EU) nations.

Common entry points

The Spanish market is a series of regional markets joined by two major hubs, Madrid and Barcelona where most agents, distributors, foreign subsidiaries and government entities are located. The key to sales success is either to appoint a competent agent or distributor, or to establish a subsidiary in the Madrid or Barcelona areas.

Getting your product into the market

Sales channels range from traditional distribution methods, where wholesalers sell to traditional shops to more sophisticated methods, characterised by an increased presence of large multinational hypermarkets, retail stores and central purchasing units. Spanish customs values shipments at cost, insurance and freight (CIF) prices. Usually, total costs to clear customs are at least 20 percent of the shipment's CIF value. This includes tariffs, a 16 percent value added tax (VAT) and custom agent and handling fees.

Logistics

Transcontinental air links are focused on Madrid and Barcelona.

Opportunities

More than 50 million tourists visit Spain a year. As a result there is high demand in the hotel, restaurant and institutional (HRI) sector for high-value and consumer-ready products. Spain has the second largest sheep and cattle numbers in the EU. It also has large pig, goat, poultry and beef industries.

Challenges

Spanish importing is quite fragmented. Be careful when giving exclusive national distribution deals without first establishing whether your distributor has a solid national network.

Cultural and business tips

Spanish people prefer one-on-one personal contact, so at least one visit to Spain will probably be necessary to secure business.

Business meetings are usually followed by a meal (lunch or dinner) to cement the relationship.

Language

The positive impression you will make by learning to speak a few basic French phrases cannot be overestimated. If you are interested in learning the Spanish language, you can search for professional trainers and courses at www.expertlanguages.com

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