

HOW TO START A  
**SMALL SCALE  
EXPORTATION  
BUSINESS**  
IN AFRICA



USAfrica Trade and Business Network

One major myth that has stopped many well-meaning Africans from leveraging the enormous income potentials in the African continent is that they must follow the traditional rule of having to have an established local market and be highly successful in selling in same market before they could engage in exportation into foreign markets like the USA.

This is literally limiting and in this short report, I'm going to show you how simple it can be for you to start exporting readily available African products to willing buyers in the USA without leaving your home country.

**FALSE MYTHS ABOUT EXPORTATION**  
This book seeks to debunk!

USAFRICA TRADE & BUSINESS HUB

- 01.** I'm new to this export business and struggling to scale
- 02.** I need to establish myself in my local market and achieve high success in sales within the same market.
- 03.** Getting my product to the US is very difficult. Others have failed, and I fear I might fail too.

Whether you've been in business for long, or you're just thinking of starting a business, you can export directly into the USA with less restriction.

The opportunity to export African products and services into the American market without paying any duty to the customs is still very much open till 2025.

It's time for you to take advantage of it to diversify and earn more in dollars.

# Exporting Is Simple When You Know How

To simplify the whole process for you, I'll break it down into three action steps, based on the **Border Smart Method™ (BSM)** – the proprietary exporting method currently employed by successful exporters across the world to breakthrough in their businesses within 90 days.



## **BORDER SMART METHOD (BSM)**

### **Three-step Pathway To Achieve Export Success**

- Awareness & Planning
- Market Entry
- Selling & Scaling

USAFRICA TRADE & BUSINESS HUB

## **Step 1: Awareness & Planning**

This is the pre-export stage, where you establish the foundation for your export business. It's where you pay close attention and get focused so as to have a profitable business - that's your dream!

Before you start your export business and getting your products export-ready, you need to decide you're going into this business and be ready to give it all it takes, just like any other business you can think of.

Having some fundamental knowledge about what's working in the business and how you can model after it will greatly help, too, because no one

succeeds in a business without knowing about the industry and how it works.

For you to succeed in your export business, just like in any other business, you need to ask yourself some important questions and objectively provide the answers. Questions like:

1. Do you have adequate knowledge about your market?
2. Do you know who your buyer is and what they want?
3. How much do you need to start the business?

To answer from the last question, you can start your export business on a small scale with at least N100, 000. This will get you in the game and provide you with the necessary experience needed when it's time to scale up.

When you're just starting out in this manner, make sure you're focused on exporting light products because you will be using delivery services that charge per weight.

One advantage of starting small to gain experience, if you plan to later expand, is that you can use the little money to send samples of your product to prospective buyers and partners, who may request for larger quantity once it's proven that the product is of high quality and you'll be able to meet up with the demands.

You can even get financing from the buyer to actualize the trade if you work the process correctly. So, don't be deterred because you don't have large sums to invest into your business today.

For your business to be export-ready, you must decide on what product to focus on, have a proven business model (*a business model is the way your business creates value and harvest same in the market*). I'll talk about the different types of models you can adopt, later in this report.

You cannot do well without focusing on one or two specific products that you're sure of getting ready access to, which also has a market base large

enough to give you a reasonable margin.

Doing so provides you the leverage to optimize your operation when it's time for you to expand your business beyond certain geographic location. By then, you would have mastered the intricacies of operating in your chosen market by then.

## **What Products Can You Export From Africa Into The USA?**

Being conversant with international trade and requirement by the USA, of products you can export from Africa is important in order to avoid resource wastage.

However, I've done the hard part for you here. Some of the highest selling African products in the USA include;

- African Foods; such as Garri (Cassava flakes), Beans, Elubo (Yam flour), Pounded Yam flour) & food generally.
- Finished food products like Indomie, Packed Melon e.t.c.
- Crafts, Black Soaps, Paintings, Fashion, Crafts, Raw-materials e.t.c.
- Also, for B2B exporters; cashew nuts, palm oil, e.t c are viable products although they may be capital intensive but are always worth it at the end if done properly.
- The opportunities in the non-food areas are also massive and should be explored by Africans looking to export to the USA.

You should however note that the demand for products may vary with States (there are 52 states in the US) and that's why it's important to do the right research and make informed decisions before sourcing for products.

## **How To Source For Quality Products Locally**

A helpful question to ask before sourcing your product is, 'is this in demand in the particular state I've planned to sell in the USA? Then 'where is the

product found in large quantity that can sustain delivery and give you a good margin'?

Be sensitive to what product to source for and where you will get them readily available in the right quantity.

It's important to be upfront in your contract with buyers about the product availability due to seasons (if it applies), and what's the time lag between product sourcing and delivery.

Don't accept export contracts for products that are either not available or not sustainable to ensure that you can fulfill orders as they come from buyers and not disappoint them.

Your reputation with prospective buyers will be tested on this strength, and if not handled properly, may affect many other exporters from the continent. So, take it seriously.

In order to increase your odds of succeeding, kindly note the under-listed points:

- Focus on value-added manufactured products i.e. products with a high value chain and relevant.
- Identify local producers and partner with them on a contract-manufacturing agreement basis.
- Work with credible partners, which can be said to be the most important thing in exportation business.

## **Avoid Troubles With Regulatory Authorities**

You must register with appropriate licensing agencies in your country to ensure that your operation is unbroken. Spare the time now, and you'll save yourself any delay later.

Laws and regulatory authorities differ across countries in Africa. Make sure you check in your country of origin and do the needful with appropriate

authorities.

For example, if you're into food and drugs in Nigeria, registering with the National Food Drug Administration and Control is a must. So also is registering with the Nigeria Export Promotion Council.

If you're dealing in food and drugs, you must register with the Food and Drugs Administration in the USA. The registration can be easily done by submitting your company name, agent information & contact information and it's at no charge. You can either do this personally or partner with a registered facility.

## How To Get Reliable Buyers To Partner With

Identifying what the role of your buyers in the supply chain would be upfront will allow you to choose the right players to play with. This depends on the routes your products go through to reach their final destination and how value is created and earned.

It's otherwise called the business model.

Below are the different types of buyers or partners you can find in the US market. Note that a buyer is not restricted from playing in more than one of these roles at a time.

- **Agents or brokers:** This category of buyers act as your representatives in your target market, they do not import or own any of the products, but take a share for connecting you with buyers.
- **Importers, wholesalers and distributors:** These are the types of buyers that receive your products and resell them on the US market. They provide warehousing, know the market and will therefore distribute your products to their own networks and sales outlets in the US.
- **Manufacturers and processors:** This category of buyers uses your products as inputs for their own products. They may also act as importers, but often buy from brokers, wholesalers and distributors.
- **Retailers:** They sell to end consumers through the various online platforms and

in-store, but can also act as importers.

When you find the right buyer or partner for your products, you must strive to stand out from the large number of suppliers prospecting the same buyers you're looking to do business with by presenting an offer that seizes their attention.

You must show them that you understand their businesses and that you know what they are looking for, and that you have the right solution. That gives you a better chance of getting their attention.

If you've satisfied the buyers' requirements and trends that apply in the US market as suggested above (it's very important because it increases their level of assurance and believe in the transaction), you'd have increased your odd of succeeding higher than if you've not.

To ensure the success of your business, if you're doing direct to buyer model, it's advisable to get the buyer committed before you put in too much efforts at getting the product.

If you're lucky you can even get a partner to give you money to run the business before you supply the goods. This is rare these days, though, because of the low level of trust in the business space.

But still, if you project a professional personality with high integrity and stand by it, the universe can always connect you with such an angel.

However, while you cannot rely on such luck, getting buyers for your products can be achieved in different other ways: Online (through E-commerce sites) and offline. For the purpose of this report, I'll show you how you can easily get your buyer using the online method.

Tools like Google Keyword Planner, Google Alert, and ecommerce sites can help with researching the marketplace while the regular Social media like Instagram, Twitter, LinkedIn e.t.c are perfect for marketing, communication and making connections with prospective clients.

## **How To Get Buyers Using Ecommerce Sites**

Alibaba.com is one of the top listed ecommerce websites where you can



find buyers for almost everything that can get sold. To get buyers for your African products, follow the prompt below to use it:

a). Open the url [www.alibaba.com](http://www.alibaba.com)

b). Locate the search bar at the top of the site.

c). Type importer/the country of your choice/the product you want to export.

Example, importer/USA/Cashew

d). Hit the Enter button. List of importers that import cashew into the USA will come up. Check to see testimonials and feedbacks from other clients to qualify their genuineness.

Kindly note; that it's hard to directly identify who is genuine or not on platforms like this. Further interactions with anyone you choose to follow up with through either direct contact or online chats should guide your personal due diligence.

That should be before money changes hands, of course!

One other way people use to get buyers online is using buyers list that requests can be sent to.

I however won't advise you buy lists of foreign buyers. Doing so is akin to you purchasing email list – list of people who know nothing about you.

Sending those unsolicited messages may project you as a spammer and they may not pay attention or take you seriously.

Most unfortunately, most of such lists usually turn out to be fake identities that never exist. So, buying them, to me, is a waste of your time and money.

There is a proven, vetted, readily accessible community of buyers (real human beings) for virtually all African products that I'll give you access to later in this report. They are tested and trusted professionals you can work

with.

For wider access and prompt response to buyers, you'd need to create a simple website and have a valid email address.

Make sure your information on the website and other platforms you'd be using is real and genuine. You may miss out on huge opportunities if you allow for any discrepancy in your presentation.

This is because most of your prospective buyers are jaded already. They're afraid of con artists and won't want to fall victim to yet another scammer online.

## **How To Receive Payment From Foreign Buyers**

Now that you've got a buyer interested in your product, how would you get paid if you eventually agree on a contract?

There are many ways to receive payment from foreign buyers, depending on your business size, your offer, and what's comfortable for you and your prospective buyer.

It's however advised that you address this upfront in order to avoid stories that touch at the end of the transaction, Take a look at the three methods discussed below:

### **1. Open Account**

Here, you (the exporter) agree to deliver the goods to the buyer without receiving payment until a later date - after an agreed period, typically 30, 60, or 90 days after delivery.

Obviously, this is the opposite of advance payment in that most of the risk is born by you (the exporter). Therefore, the importer essentially receives the goods on credit, with payment to follow at a later date.

Clearly, this payment method favors the importer, since they enjoy the

position of taking delivery of the goods without making payment.

Depending on your choice and offer terms, you'd only want to go with this if you need to want to attract valuable partners for long-term strategic relationships.

## **2. Advance Payment**

If you use this option, the buyer will pay for the product before you ship it to him/her and payment for the product can be done through any means that both of you found appropriate. Options like wire transfer and international cheque.

If you happen to find a buyer/importer who agrees to this option, you better not create any atmosphere of distrust; he's the one at higher risk, so treat him/her with integrity.

## **3. Consignment**

This payment option is best for you if you're considering having distributors or third-party agents in the USA, who will take charge of everything from warehousing, packaging, marketing, selling, and fulfillment for you, while you focus on sourcing the products locally and getting them into the USA.

Here, you'll ship and deliver the products to the buyer but only collects payments after the products have been sold.

You need to make sure you're dealing with trustworthy distributors or agents in order for this option to work for you and serve your interest. If done well, it can be a great option to choose, because the pros cover a lot of things that you may not be able to do while in Africa, as explained earlier.

# Step 2:

## Market Entry

This is the stage where you get your products onto the US shores after you'd done your foundational pieces and ensure that the products are export-ready.

### STEP 2: MARKET ENTRY

How to get your products onto the US shores, ensuring that the products are export-ready.

USAFRICA TRADE & BUSINESS HUB



### How To Package Your Product For Higher Success

If you're going to be exporting directly to the final consumers, not using an agent or wholesaler who can help you with the right packaging and in compliance with the US laws, you need to make sure you're doing the right thing, including the labeling, to ensure that your products pass the Customs tests in your country.

Each country in Africa has her own Customs regulations. Kindly spend little time to get used to them and follow the laid down rules. When you do, you would be helping yourself, and the whole system that make up the

exporting ecosystem.

However, like I alluded to earlier, there are some packaging that would not satisfy both government and buyers' requirement when they get to the US, having a representative over there, who can help you take charge of everything packaging, labeling, marketing and sales, and fulfillment may be required.

I'll share with you the best way you can go about it without incurring additional cost, later.

## Logistics Considerations

You're either going to be using sea or air freight to get your products into the USA. So, there is need for you to understand the **differences** between a freight forwarder and a shipping agent.

If you can't export through a ship container, you can use air cargo. Your cost price may be high at first, but it helps you to be competitive.

The more volume you export by air, the more corresponding the price and it's much better off with a Value Added Product.

Lastly, make sure you add value always through your products and the whole process, as this will help you to build your social proof.

If you're starting the business on a small scale, the following logistic companies are recommended:

DHL, FedEx, UPS. IFEX, NIPOST etc.

Of all these, NIPOST (for Nigerians) appears to be the cheapest when you use their conventional service. The only catch is that you will wait for up to two weeks for your products to arrive the USA.

If you use their express service, EMS, you'll get your products delivered between 2-3 days, but it costs more.

At this stage, you must be sure of what channels you are going to be selling your product. If you adopt **retailer** model, you'd mostly be using stores

online or offline. Selling to large organizations and businesses will be a right fit for you if you go with **Importers, wholesalers and distributors, or manufacturer/processor** and you're doing this on a large scale.

In short, you must be sure of how your products will get into the hands of your final consumer – through an agent or directly to them with your own efforts.

## **Step 3: Selling & Scaling**

If you've satisfied everything and you're here, you deserve praise, because it takes a great mind to get through all that's involved. Congratulations!

Now that you've succeeded in exporting your products from Africa into the USA, it's time for sales to start rolling in and having your already partnered buyers to start receiving your products and paying you in dollars.

That's what we all want, right?

But let me let you in on some important things that are capable of frustrating all the efforts you've put in so far. They have been traced to the failures of many African exporters, and I don't want you to be in the dark about them.

These things bother on **the warehousing, final packaging, marketing, selling and fulfilling your products in the US market.**

# FOUR MAJOR FACTORS THAT LIMIT AFRICAN EXPORTERS



USAFRICA TRADE & BUSINESS HUB

You should know by now that you need a different kind of packaging from the ones you used to export your products into the USA, for it to sell well; there are standards that must be followed, which if not adhered to, would not make the products pass relevant authorities checks, and the various consumer tastes.

Another thing is marketing of the product.

While you've got the product here, possibly into a warehouse, how you conduct the marketing and selling them deserve great attention.

You can either sell directly to companies or small businesses in need of your products, or sell through major retail chain and online stores (WalMart, Itzy, Amazon eBay, etc). Each one of them has their pros and cons.

On the fulfillment part, not all your products would be well received by buyers; some will return them and ask for refund within a stipulated time.

All this, you must be prepared to handle or have someone in the US to take care of everything for you so you can concentrate on sourcing the best products locally and getting them exported to the USA.

This is a better approach to running this business, if you asked me.

Getting reliable buyers and partners come easier when some of the below identified points are taken care of. They're things you need to do outside the main process of getting the products across border.

Consider them as the unspoken languages of exportation business that get the right buyers to flock towards you and enable you to sell seamlessly.

Sadly, the majority overlook them and get themselves in losing trades – their products, most often than not, are returned back to them in Africa at additional costs on them, it takes ages for them to get people to buy them, if they do at all, and most of the products get spoiled in the warehouses.

All this can be avoided; reducing the costs of maintaining inventory that allows for lower prices and making your products available much faster in the US market leading to a higher competitive advantage.

My interactions with African exporters have shown that they struggle with getting the reliable buyers and partners for their businesses. The solution to this is to find a way of accessing proven, vetted, readily accessible community of buyers (real human beings) for virtually all African products.

These and more are what I'll show you next, in a more detailed live training on how to prosper from exporting African products into the USA market, soon - it's a training you need to broaden your knowledge base and get the practical insights to drive your business success.

Remember, exporting is simple if you know how. And we've got you covered.

The live training is 100% FREE. But you must register to get an invite into the training.

Our virtual room takes maximum of 100 participants at a time. Click the link below to register for the training now.

[www.exportandprosper.com/masterclass](http://www.exportandprosper.com/masterclass)



To your success,

Gbenga Omotayo.

USAfrica Trade and Business Hub