



INTERNATIONAL TRADE & INVESTMENT | Issue No. 01 | *Five tips for doing business in Latin America*

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Regardless of the sector in which you operate – fashion, mining, education, engineering or biotechnology, if you wish to start trading with any country in Latin America, you need to spend some time understanding the business cultural differences between Australia and Latin America, as well as the history of the specific Latin American country in which you wish to do business.

While each country in Latin America has its own history and culture, there are some common cultural differences between Australia and Latin America you should be aware of.

1. ¿Hablas Español? Você fala português?

In Latin America, not everybody speaks English. Please don't think you can go there and do business without talking a little bit of Spanish or Portuguese (if you are in Brazil).

Even if your client speaks English, Latin-Americans are proud of their culture and appreciate it when someone makes the extra effort to know more about their country and speak some of the language.

In my opinion, talking a little bit of Spanish or Portuguese gives the personal touch which transcends business.

2. Relationship first, business second

Personal relationships matter a lot more in Latin America than in Australia.

In Latin America, small talk is vitally important to build trust and understanding before talking business.

So how do you develop that personal relationship? Ask about the family. Family means a lot in Latin

America. It is absolutely fine to ask your client about his or her family if you are in Latin America.

Learn about soccer. Soccer in Latin America means everything. In Latin America, soccer is to Latin America as Rugby may be to Australia. However, if you are there, please don't call it soccer, call it football.

3. Slow down

Punctuality for business meetings doesn't quite carry the same importance in Latin America as it might in Australia.

Let's say there is a business meeting at 10am, you, the Australian, arrive on time because for you time means money. You have a strong sense of the agenda. However, the locals get there at 10:30am or perhaps one hour later at 11am.

You've been waiting for an hour, you are irritated, you think you are not being taken seriously. However, the locals would not understand your frustration. For them, it's not a big deal.

When the meeting starts, you want to get to the point and start talking business. However, the locals may prefer to talk about family or perhaps soccer (football) before talking about business. As I mentioned above, in Latin America, first you need to build trust. You need to know the people. Then you can start talking business.

Here we say "time is money". In Latin America they say, "if you want to make a lot of money, you need to spend a lot of time".

4. The notion of 'please' and 'yes'

Let's say you have a project team in Latin America, with people from Australia and people from Latin America. You ask the locals, "can you finish this specific task by Monday COB?" The locals may say "yes", when he or she actually knows that it's impossible to complete the task by that date or time.

The problem is that sometimes yes in Latin America means no or means yes, but maybe no. It is Monday, the task is not complete, you get upset because the local said "yes" but the local is also upset because he or she thinks that you should know that yes could mean no.

So you need to double check with this person if yes really means yes or it's a yes but maybe a no.

5. Be formal

The language of business in Latin America is more formal than here.

The title of a person matters in Latin America. For example, in Colombia and Mexico you should not call your client by his or her given name. You should always check these formalities before going to your business meeting.

Latin America is open to doing business with Australia. It is an excellent market, not just for traditional and big companies, but also for small businesses and entrepreneurs. However, before going there you need to spend some time understanding and learning about the Latin American culture in general, its rich history and especially their business culture.

If you need assistance breaking down language barriers and navigating the business cultural differences between these two regions, please send us an email or call us.



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