

Kentucky Agricultural and Commercial Trade Office

Doing Business in Mexico



Cabinet for Economic Development

Overview

- **Type of Government:** Federal Republic
- **Official Language:** Spanish
- **English** is widely understood by educated people and in urban centers.
- **Religion:** No official religion, but a great majority is Roman Catholic.
- **Time:** one hour behind U.S. Eastern Standard Time



Cultural Orientation

- Information is processed **subjectively** and **associatively**.
- **Objective facts** are used by those with a higher education.
- Degree of **personal involvement** in each situation.
- The best interest of the **family** or **group** is a dominating factor.
- Establishment of a **rapport** before doing business.

Business Practices

Appointments:

- **Punctuality:** not rigid
- **Schedule** two to four weeks in advance, and reconfirm a week before.
- Get **contacts** as high up in the organization as possible.
- **Business hours:** 9:00am to 6:00pm
- **Lunch:** between 1:00 and 3:00pm.
- Business breakfasts, lunches or dinners are common.



Kentucky 

Business Practices

Appointments:

- **Telephone:** to arrange appointments and confirm them.
- **E-mail:** widely used to confirm appointments and for general communication.
- Be prepared with some **Spanish sentences.**

Business Practices

Language

- **Spanish** is Mexico's official language.
- **English is quite widely spoken in business** circles and if you don't speak Spanish, your hosts may be happy to hold the meeting in English.
- **The effort to learn the language** will be rewarded not only with better understanding, but also by Mexican partners appreciating the effort. Even an attempt to communicate with broken Spanish will be warmly appreciated and seen as a sign of interest and respect
- If you do business in a regular basis with Mexico hiring a **sales representative who can speak Spanish** could be very useful especially in some sectors, such as agriculture or forest.
- All marketing literature, product manuals, warranty info, labeling, and anything you expect to leave with the contact should be in Spanish. Be sure to come prepared with all your relevant **information translated into Spanish.**



Business Practices

Negotiating:

- The decision-making process tends to be **slower** than that of the U.S.
- Be **calm** and **patient**. Include a small talk before discussing business.
- **Business cards** are used extensively. Give the card in the hands, do not put it or throw it on the table.
- Mexicans look for **long-term relationships** based on mutual trust and reliability.



Business Practices

Negotiating:

- Make repeated visits and maintain contact after your trips.
- Mexicans avoid saying “no”. “**Maybe**” or “**We will see**” may mean “no”.
- Emphasize the trust and **mutual compatibility** of the two companies.



Business Practices

Negotiating:

- Selling to Mexico: get cash with order or by means of an irrevocable letter of credit until a credit history and business relationship is build up.
- Take to the meetings copies of the documents that may be required during the transaction.
- Take your original passport or photocopies as proof of identifications when closing a deal.



Protocol

Greetings:

- Men and women **shake hands** upon arrival and departure.
- A **single air-kiss** on the cheek is expected for all women, although not necessary in the first meeting.
- Be prepared for a **hug** on the second or third meeting.



Protocol

Respect & Status

- Mexican Businesses tend to be very **hierarchical**. Status and position is important in Mexico, and you should acknowledge this and act accordingly.
- Status is integral to respect, so the kinds of clothes worn and cars driven are seen as a **sign of status** and contribute to respect.
- The proper title or form of address is of great importance. Mexicans tend to address each other by their professional title:
 - **Licenciado** (holder of a university degree, or lawyer);
 - **Ingeniero** (engineer);
 - **Arquitecto** (architect);
 - **Doctor** (Ph.D. or medical doctor).



Protocol

Titles/Forms of Address:

- Refrain from using **first names**; wait for your counterpart to switch to first names.
- Persons who do not have professional titles should be addressed as **Mr.**, **Mrs.**, or **Miss**, plus their surnames.



Protocol

Titles/Forms of Address:

- Spanish equivalent:
 - **Mr.** = *Señor*
 - **Mrs.** = *Señora*
 - **Miss** = *Señorita*
- Mexicans have **two surnames**. Only the father's surname is commonly used:
 - *Ex: Señor Juan Antonio Martínez García = Señor Martínez.*



Protocol

Gestures:

- Conversations take place at a much **closer physical distance**. Avoid talking about war, poverty or illegal aliens.
- Mexican men are **warm** and **friendly**, and make a lot of physical contact.
- Do not keep your hands in your pockets, it is considered impolite.
- Mexicans do not make much **eye contact**.
- **Tipping** is appropriate for services provided (10%-15%).



Protocol

Gifts:

- Not required for a business context.
- Small gifts with a **company logo** are appreciated (e.g. pens, calendars, cups).
- Good choices are also candy or local crafts from home.



Protocol

Dress:

- Business Dress Code is formal in the major cities (Mexico City, Monterrey and Guadalajara)
 - Men should wear a **suit** and **tie** for business meetings.
 - Women should wear a classic suit, a dress or skirt and blouse for business meetings.
- **Casual wear** include:
 - Men may wear: pants or tailored jeans and a light shirt.
 - Women may wear a skirt, nice pants or tailored jeans.

