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### III. BUSINESS INFORMATION

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Doing business in Nigeria is not recommended for the small company with limited resources. While Nigerian business offers significant rewards, substantial expenditures are required. Foreign competition is strong, and careful attention must be given to market conditions, methods of importation, buying patterns, channels of distribution and business practices.

Factors in Nigeria which favour imports are the large population, the strong tendency to buy imported goods, the considerable oil revenues, the ambitious development plans and the limited level of industrialization.

Acting as limiting factors, however, are government regulations designed to reduce import levels, foreign exchange controls, communication and transport difficulties within Nigeria, shortages of trained service people, strong European competition, payment delays and inefficient government bureaucracy.

For many products, price is the overriding consideration in marketing, followed closely by delivery time. It is also important to establish confidence in the Canadian product with clients and agents. Approaches by mail accomplish little on their own. Rather, a substantial commitment to the Nigerian market is required. This includes regular personal visits.

Given the British colonial experience and Nigeria's proximity to Europe, the market shows a definite orientation toward European sources. There is, however, a receptive attitude toward other suppliers of competitively-priced quality merchandise who are prepared to develop a sustained and aggressive marketing program. Suppliers from the Far East and the United States have been particularly successful in penetrating the market on this basis.

#### Sources of Financing

Nigeria traditionally has financed its development needs without relying on foreign capital. Since 1981,