



Export Express

Insights to Accelerate International Expansion



Our Mission: Help Manufacturers “Spend time *Selling* to Distributors versus *Searching* for Distributors”

New Coverage: Spanish, Asian & Latam Brands

New! Export Solutions has expanded coverage to include distributors in 96 countries specializing in Spanish, Asian & Latin American brands. Subscribers to Export Solutions’ distributor database can apply filters to sort distributors by country, category (confectionery, beverage, etc.), origin (Germany, USA, Italy, Spain, Asia) or brand name. Visit www.exportsolutions.com for free sample access.

In This Issue

Page 1
Zoomer

Page 2
Intimacy Lessons

Page 3
Desktop Distributor Management

Page 4
10 Tips – New Ideas to Thrive in the Zoomer World

Page 6
New Distributor Assessment Grid

Page 8
Recipe: Best in Class Partnerships*

Zoomer



How many meetings have you conducted recently via Zoom, Microsoft Teams, or web based meeting platforms? Zoom reported that as many as 300 million people participated in daily meetings. E-commerce reached a pivot point in March 2020, accelerating the transition to online retailers. This fusion of online tools and e-commerce ushers in the world of Zoomer, a gamechanger for the business of export development.

Zoom

By definition, Zoom means to move or travel very quickly. Zoom is also a photography term to describe the process of changing smoothly from a long shot to a close-up or vice versa. In export, our efforts are slowed by distances and infrequent personal contact with our overseas partners. Zoomer leapfrogs old school travel practices with the ability to immediately schedule web meetings with anyone, anywhere.

E-Commerce

USA e-commerce sales of grocery items is expected grow at least 40 percent this year. According to Brick meets Click research, there were 43 million active online grocery customers last month in the USA, versus 13 million in August 2019. Amazon’s sales of goods will exceed \$300 billion worldwide this year. It is not a question of “will e-commerce emerge as a strategic channel?,” but how big will it get? Are your supermarket distributors capable of brand building in the e-commerce channel?

More Time To Think, Less For Travel!

Covid travel restrictions delivered a “gift of time,” providing quarantined managers a valuable window to analyze their international business. Zoomer provides a basic level of distributor management effectiveness without the demands (and costs) of

continued on page 7



Intimacy Lessons

How do you maintain distributor intimacy without travel?

The world of export development is built upon a strong foundation of long term partnerships between great brands and committed distributors. Fortunately, many exporters dedicated years (and many late nights) to creating lasting bonds. However, it remains a challenge to nurture relationships when travel is restricted.



Strategic Services

Contact Us for Export Solutions

1. Identify Best in Class Distributors: 96 Countries
2. Best Practices Export Strategy
3. Distributor Management Workshops
4. Export 101: Let's Get Started
5. New Market Prioritization & Launch Plan
6. Personal Distributor Introductions: 96 Countries
7. Walmart International
8. Distributor Contracts, Margins, & Fees
9. Meeting Speaker
10. International Strategy Expert

The Zoomer era forces us to rethink our communication practices. The frequency and type of interaction should be different. For example, in the past you might visit a distributor a few times per year and see him at a major trade show like Anuga or ISM. This may now be supplemented by monthly Zoom style meetings versus faceless telephone calls.

Positive distributor relationships are like a marriage. Both parties must work hard at communication during good times and lean years. Listed below are Export Solutions' suggestions on keeping the spark alive.

1. Frequency is Favored

Find a way to connect on a regular basis "beyond email." Vary the format to include Zoom meetings, a handwritten thank you note, or a personal gift of an item with your company logo on it.

2. Involve the Extended Family

Brand owners should extend distributor contact through periodic zoom meetings with distributor owners, supply chain, and finance managers just to touch base. Many distributor brand managers are just "messengers" versus key decision makers.

3. Fewer, Longer, Market Visits

The new reality may dictate fewer overseas trips. Say goodbye to a "meal and a deal" and a store check on the way to the airport. Schedule quality time with a week in a priority country. This allows you to dig deep into issues, meet many team members, and spend a full day at retail. You may even find time to get to know the country through a visit to a local tourist site or museum.

4. VIP Invitations to Your Corporate Headquarters

Create a tradition of an annual visit by the distributor to your head office. These trips allow you to share your product innovation pipeline, meet your senior officers and treat your distributor team as VIPs. An added benefit is that you secure 100 percent of the distributor's attention, without the distraction they face in their own country.

5. Respond Immediately

The best way to maintain intimacy is to respond immediately in times of crisis. Normally, distributors are reactive, serving as credible middleman between brand owners aspirations and the heavy demands from their local customers. In export markets, situations emerge due to political issues, currency fluctuations or other market disruptions. Brand owners that engage immediately are loved. "Helpers are heroes."

Leap forward with a smile to the future of international development. The essential marriages between brands and distributors will continue. Winners will embrace new tools and strategies to flourish in the Zoomer era.

Good luck!

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Desktop Distributor Management

How do you motivate distributors without a personal visit?

Managers received the “gift of time” to perform “more thinking and less traveling.”

Check out Export Solutions’ 15 strategies to build your international business from the home office.

#1 Tip – Be nice, remain positive!

Strategy	Considerations
E-Commerce Development	• Critical time to upgrade distributor capability or get left behind.
Pivot to Supermarkets	• Capture food sales shifted from Foodservice to Supermarkets.
Recession Planning	• Apply lessons learned from 2008-9 recession.
Deep Dive Business Analysis	• What’s working? What’s not? Changes for “New Normal”?
Distributor CEO Contact	• Secure input on CEO outlook and second half 2020 forecast.
Distributors: Winners or Watch-outs?	• Big brand distributors enjoying record sales. Niche product distributors suffering.
Retail Sales Contest	• Stores are open. Perfect time to generate field sales excitement.
Training Webinar	• Educate distributor teams on new products and strategies.
Weekly Inventory and Sell-out Data	• Required to keep supply chain full and detect early problems.
Watch Currency and Oil Prices	• Easy to identify future problems: oil dependent nations and countries with 20-30% currency devaluation vs. \$ USD.
Research New Markets/Distributors	• Gain head start on 2021 growth opportunities.
Price Survey	• Lots of movement. Survey now to avoid surprises later!
Adjust Trade Marketing Plan	• Consider investment shift to digital marketing and promotion.
Results versus Country Conditions	• Identify performance out of sync with overall market reports.
Start Thinking About 2021!	• Rough comparisons versus 2020?

Zoomer Webinar

- New World of Export: Post Covid
- Global E-Commerce Strategies
- New Distributor Model 2021
- Available now, delivered by Greg Seminara



Contact Greg Seminara at greg@exportsolutions.com for more information and scheduling

www.exportsolutions.com

10 Tips – New Ideas to Thrive in the Zoomer World

Skyrocketing e-commerce sales revealed that brands and distributors urgently need to upgrade their marketing models for this high growth channel. Covid accelerated the use of communication tools like Zoom. Check out Export Solutions' 10 tips for your export sales to thrive in the world of Zoomer.

1. New Rules: Regular Distributor Brand Manager Zoom Meetings

For many, scheduled weekly Zoom meetings with distributor brand managers have replaced periodic phone check-ins. Monday afternoons work well, as people are fresh and you have an entire week to solve problems. Create expectations such as deadline for pre-work, length of meeting, and which distributor team members will participate.

2. E-Commerce Strategy for Every Country

Many companies created advanced strategies for e-commerce development and digital marketing for their "home country." However, some export managers and overseas distributors treat e-commerce as a niche channel. Brand owners should request an e-commerce growth strategy for each export market, including the shift of marketing investments to digital tools.

3. Design a New Format for Information Sharing

There is a giant gap between online portals with transparent sharing of data between partners and old fashioned Excel reports for sales forecasts and monthly sell out. With "more time for thinking, less for travel," managers require more robust data platforms for advanced business analysis. Challenge your information technology department to create an enhanced web portal for your international partners.

4. New Distributor Screening via Zoom

This month, I conducted two new distributor search projects with initial meetings via Zoom. These "first dates" were successful, as they established distributor interest and could be arranged with a few day's lead time. This approach functions well for well known brands with a commitment to invest in marketing. Don't forget to send product samples!

5. Virtual Trade Shows Gain Popularity

Government export support and trade show organizers are pioneering web based platforms to facilitate new distributor "buyer-seller" relationships. These tools are worth a look and may represent a future alternative if they attract participation from top distributors and brands.

6. Distributor CEO Checkpoint

When was the last time you met with your distributor's owner or CEO? Easy to establish a quarterly Zoom checkpoint meeting. This supplies an official forum to review the state of your business and secure CEO feedback on market outlook and planned investments.



7. E-Commerce Scorecard

Performance metrics and tracking standards should be extended to the e-commerce channel. Basics could include key account sales trends, items listed, pricing, share of page one, and trade promotion. Brand owners must track results at e-commerce customers like any other major customer.

8. Zoom Buyer Meetings

A future measure of strong distributor key account management may be their ability to organize Zoom buyer meetings for their international suppliers. A brand owner is uniquely qualified to share a brand's story and unique attributes. Buyers are usually receptive to contact with global executives. Watch-out: beware of the risk that buyers use the Zoom meeting as just as another opportunity to ask for more money.

9. Participate in Distributor Monthly Sales Meetings

Most distributors conduct weekly or monthly sales meetings on Fridays. Brand owners may be invited, but are rarely in town on a Friday. Why not schedule a Zoom training or update seminar with your distributors sales team during their regular team meeting?

10. Online Store Check

Leading supermarket chains offer web shops for home delivery or in store pick up. These sites allow you to immediately check pricing, authorized assortment, and competitive activity from the comfort of your home office.

Export Solutions' retailer database tracks more than 2,600 retailers in 96 countries, including "one click" access to supermarket web shops and weekly fliers if they are available.

Need more information? Visit www.exportsolutions.com.

Why do Export Managers Partner with Export Solutions for Distributor Search Help?

- ✓ **Industries Leading Distributor Rolodex**
 - Excellent relationships across 96 countries
 - Database tracks 79 distributors per country
 - 300+ distributor search projects completed.
- ✓ **10 Step Distributor Search Process**
 - Logical, thorough due diligence process
 - Professional approach yields positive results
 - Publisher: *Distributor Search Guide*
- ✓ **Independent Expert Assessment**
 - Expert partner to export managers
 - Focused on all aspects of distributor search
 - Working for you!
- ✓ **Fast Results**
 - 90%+ success rate
 - Align with “Best in Class” distributors
 - Quick! Ask about our lower cost Zoomerco options
- ✓ **Make Your Life Easier!**
 - Identifies 5-8 qualified candidates per country
 - Organize meetings with top candidates
 - Sounding board during assessment process
 - Export Solutions participation sends positive message to distributors.



Export Solutions Can Help!

- Distributor Search helper in 96 countries

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New Distributor Assessment Grid

Criteria (weighting)	Rating	Evaluation Factors
Corporate Credentials 30%		Size, sales force, logistics, # employees. Reputation (reference check existing brands). National coverage. E-commerce.
Category Expertise 20%		Sells brands in my category. Shelf space for existing brands. Current brands selling to target retailer. Category analysis and insights.
Brand Building 15%		Digital marketing. Marketing plan, cost, timing. Success stories.
Cost to Serve 15%		Fair, transparent model relative to size of business, brand investment, and work required.
Enthusiasm for My Brand 20%		Advance preparation, CEO involvement. Follow-up on commitments. Alignment with your vision.
X Factors: People, Admin., Professionalism, etc. +/-		CPG/FMCG background for leaders. Data sharing. Entrepreneurial spirit. Do you enjoy the people?

Rating System



Rating	Score
Excellent	9-10
Very Good	7-8
Average	4-6
Fair	2-3
Poor	0-1



Contact Greg Seminara at greg@exportsolutions.com to discuss your distributor search project.

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Zoomer

continued from page 1

international travel. Periodic long haul trips will still be required to maintain personal relationships. However, it may be more common for “Road Warriors” to battle traffic to their home office versus the airport. Our frequent flier balances may suffer, but an export manager’s productivity (and home life) may improve.

Case Study

During Covid, two multinational global brands needed to urgently proceed with distributor search projects due to financial insolvency of partners. Normally, the new distributor search process takes 2 to 3 months. What do you do when you can’t travel? Export Solutions embraced Zoomer concepts and was able to schedule Zoom meetings with senior management of leading distributors in both Asia and Latin America within one week of each project kickoff. For these well known brands, Zoomer allowed us to expedite timelines and save money.

Data Transparency

Zoomer will succeed if supported by a redefinition of data sharing protocols. Distributors and brand owners must work to create a more robust and linked data management platform. Cumbersome requests for revised forecasts, sell out data, inventory on hand, trade promotion spending, and retail pricing can be replaced by online portals with information available in real time. Numbers rarely lie, so automatization of reporting will allow more freedom to explore creative marketing solutions versus completing templates.

Intimacy Not Isolation

Zoomer cannot replace annual meetings, trade shows, and market visits. Most export managers survived the Covid months leveraging the credibility built through years of relationship building. As in any good marriage, you need personal time together to share a meal and catch up in a relaxed manner not afforded by a one hour Zoom meeting.

Organizational Implications

This new world will cause us to redefine the work of the export manager and his interaction with corporate functional resources. The international trend was the establishment of regional hubs and in country managers. These “locals” were close to the customers and “the shelf.” However, business development sacrifices exist, as stretched local teams and third party distributors are not a substitute for the depth of category and functional expertise in your home country. Zoomer will allow for greater “peer to peer” engagement of your corporate functional experts with overseas distributors. For example, global customer management of Amazon and digital marketing efforts work may reside at your headquarters versus offshore. Zoomer will restart the debate of the right mix of international managers offshore versus corporate headquarters.

Zoomer – New Rules Everyday

Fortunately the food and consumer goods business appears as a strong sector in the new recession. Consumers prepare more meals at home with favorite brands purchased at supermarkets versus

5 Key Issues

1. How will changing eating and shopping habits impact my brand?
2. Are my distributors focused on e-commerce development?
3. How do we share digital marketing best practices?
4. What distributor data sharing upgrades are required?
5. How should we organize the export department for Zoomer?

foodservice establishments where you don’t know the source of the food. Most have successfully adapted. However, we must admit that many aspects of our export platform must be evaluated with a new reality. Who will be our new consumers? Where will they shop? How will our local distributors push our brand through the supply chain? Our industry will never revert back to the 2019 normal.

Export Solutions’ network extends to more than 9,500 export professionals in 96 countries. We add value to export managers by providing independent thinking and best practices from leading companies across Europe, Americas, Asia, and the Middle East. Looking for new strategies to navigate Zoomer? Export Solutions can help!

Find the Right People

- Distributor Database Coverage: 96 countries – 8,800 distributors
- Search by Country, Category, Brand Name, or country of origin
- Annual subscription: \$975 for all 96 countries
- “Spend Time *Selling* to Distributors versus *Searching* for distributors”



Export Solutions
Global Experts, Local Solutions



Contact Greg Seminara at greg@exportsolutions.com or (001)-404-255-8387 • www.exportsolutions.com

*Recipe: Best in Class Partnerships**

Ingredient	Brand Owner	Distributor
Results	Realistic expectations based upon investment/market conditions.	Achieve sales increase in excess of overall market growth.
Category Expertise	Share knowledge, trends, and category analysis.	Serve as local category expert. Educate the buyer.
Innovation	Constantly deliver important new product ideas to market.	Successfully launch new products into the market.
Investment	Appropriate Investment levels: marketing/trade promotion.	Optimize return on investment.
Store Presence	Create clear, realistic guidelines for in-store presence.	Share of shelf exceeds market share. Maximize visibility.
Ideas	Support market driven ideas to build the business.	Relentless pursuit of new and better ways to grow sales.
Reporting	Concentrate on Basics: Listing Map, Pricing, Merchandising Plan.	Complete reports accurately and on time.
Focus	Periodic market visits and “rapid response” to issues.	Appropriate level based upon brand size and opportunity.
Cost to Serve	Remember that distributors need to make money too!	Fair margin based upon brand size and complexity.
Recognition	#1 Fan. Frequent recognition of good results by all team members.	Strong commitment to exceed expectations everyday.

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Distributor Search Helper for:



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SEEBERGER



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Japan	Nordics	Saudi Arabia	Costa Rica
Malaysia	Spain	UAE	Ecuador
Philippines	United Kingdom		Mexico
Singapore		Canada	Panama
South Korea	South Africa	United States	Peru



Export Solutions
Distributor Identification Experts

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to discuss your business development project.

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Ten Tips: Distributors Need to Make Money Too!

Export managers rarely think about how much money a distributor is making from representing their company. Big mistake! How often do you think about your own salary? How do you feel when you get a raise? Or no bonus or a reduction of salary? Most distributors are family owned operations, relying on net profit margins in the 3-5 percent range. Distributors make money on scale, always looking to attract companies with existing sales versus pioneering risky new product ventures.

1. Calculate how much revenue your distributor sources from representing your company.

A quick estimate can be generated from net sales multiplied by the distributor margin.

2. What is the work required to build your brand?

How much of the distributor's resources will you need to achieve your mutual objectives? Is your brand a tough sale, or growing a popular item? Dedicated brand manager or shared?

3. How much complexity is involved with your business?

Number of items in your product portfolio? Shelf life? Temperature control logistics? Highly competitive category or "niche"? Every day low price or frequent promotions? Average order size? How much help (pressure!) from manufacturer? Marketing budget? These inputs directly impact distributor profitability.

4. Distributor margin is the first place where they generate income!

Distributor executives receive salaries and "owner-operator" benefits like travel, cars, and jobs for family members. Country level price calculations are usually based upon the most expensive customer. A distributor gains income when other customers do not receive similar discounts and rebates.

5. All distributor margins are not equal!

The key is to examine "what's included." Some margins appear high, but could include periodic trade price promotions. Others margins may be lower on the surface, but then allocate separate line item add-ons for logistics, administrative overhead, or distributor profit margin.

6. Pioneering is extremely difficult!

It may take one year from the time of your first discussion with a distributor to the time he receives trade payment for his first shipment. Normally, a distributor must allocate his team resources for up to a year, with hope for a long term payout. This is a difficult gamble. Manufacturers must remember this fact, and understand when distributors refuse to partner with a company with no existing sales.

7. Marketing investment drives distributor Income.

Funding required consumer and trade marketing investments stimulates sales. Higher sales generally translates to higher distributor profit. No investment leads to marginal sales and lower distributor revenue.



8. Price increases: tough to execute, but pay raise for distributor

Customers are reluctant to accept price increases, because they hate to raise prices to the consumer. However, currency fluctuations and raw material prices force manufacturers to take price increases. Many distributors are very open to a timely, competitive price increase. Higher invoiced case costs deliver greater returns at a consistent margin, except if volume suffers.

9. Consider direct talks on margin and compensation

Most employees enjoy an annual performance and salary review. Many distributors would welcome a review of compensation trends. This would include sales, resource allocation, currency fluctuation, trade payment and competitive activity.

10. Open dialogue on alternate financial models

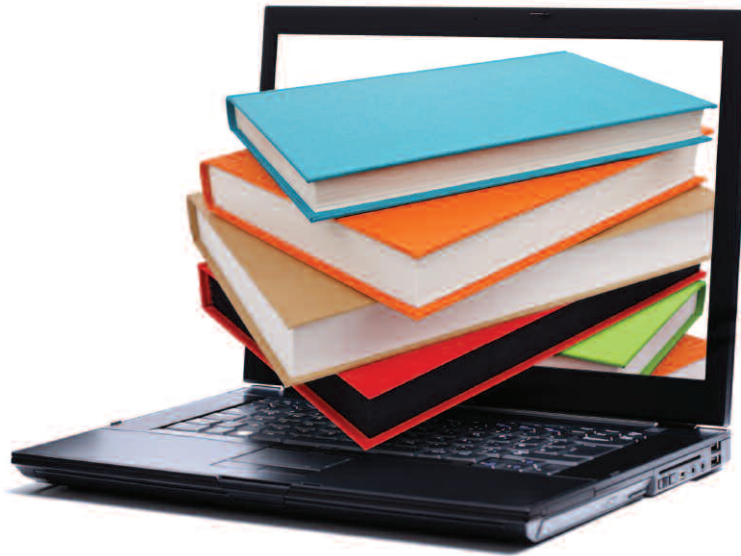
A company with critical mass may operate on an "open book," cost plus model with a distributor. A large brand may benefit from margin rebates when certain volume thresholds are met. Another approach involves manufacturer funding of a dedicated "team within a team" at a distributor. For a small brand or new entry, consider a monthly retainer fee to cover six month start-up period. Another is an incentive program which rewards the distributor for achieving volume targets.

10. Helpers are heroes!

Many distributors literally write the check for your invoice from their own funds. Frequently it is difficult for small-mid size distributors to dictate payment terms to multinational retailers. This forces distributors to swallow price increases, extra retailer fee demands, currency impact etc. Large brand owners that serve as caring partners that "help" will be rewarded with a healthier distributor and more focus on their priorities from an appreciative distributor.

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Create Your Own Export Library



Export Strategy Guide



Distributor Search Guide



Export Handbook



Selling to USA Handbook



Distributor Management Guide



Finance & Logistics



*300 Tips for
Export Managers*



*Idea Guide:
New World – New Business*



*Export Treasure Chest
My Favorite Templates & Forms*



*People Power
Strong Teams Build Great Brands*



*New Distributor
Cooperation Model*

All guides available free at www.exportsolutions.com.



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Distributor Identification Experts

**Looking for a fresh point of view for your
next event or training workshop?**

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Country Experts

Looking for distributors specialized in brands from your country? Search Export Solutions database to find overseas distributors handling food, beverage, and sweets brands from your country.



Italian Food & Sweets
1,327 Distributors



German Food & Sweets
636 Distributors



Spanish Food & Sweets
383 Distributors



Latam Food & Sweets
501 Distributors



UK Food & Sweets
640 Distributors



USA Food & Sweets
1,121 Distributors

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