

# Export Express

Insights to Accelerate International Expansion



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

## Sell to 96 Countries

Looking for new customers and distributors in international markets? Export Solutions' distributor database covers more than 8,600 distributors in 96 countries. Our database features extensive coverage of leading food, confectionery, and beverage distributors. New! Export Solutions' retailer database now tracks 2,500 retailers in 96 countries. Order now at [www.exportsolutions.com](http://www.exportsolutions.com).

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## People Power:

### Strong Teams Build Great Brands

Brand building is a team sport, requiring a deep organization of functional experts. A key issue is not only the strength of your distributor team, but the time dedicated to your company's priorities. Every distributor in the market sells to the same customers and claims great trade relationships and results. For me, the true measures of distributor performance reflect sales growth relative to customer's internal growth and my brand's share of shelf versus market share. Ultimately, a good signal of a great team is a strong leader (owner/MD) who is committed and involved daily with his people and principals.

This new guide from Export Solutions is titled "People Power: Strong Teams Build Great Brands." Our goal is to share insights and templates to understand your distributor's team. Included are Distributor assessment grids and questionnaires to evaluate the difference between a "Best in Class" player and an "under-achiever."



Brand owners form an essential part of the distributor's business team. All distributors have achieved success. A good brand partner serves as a "coach" to help lead the team to the desired results. The coach secures the required resources and shares in the victory as well as the periodic setbacks. Export Solutions' goal is to serve as a helper to companies looking to expand internationally through the use of international distributor networks. Our work extends to 96 countries. Contact us to learn how we can help your team achieve your international sales objectives.

### Key Issues – Your Distributor's People Power

- ✓ Owner: committed and enthusiastic about your brand and the business?
- ✓ Who is your Brand Manager? Gamechanger or "rookie"?
- ✓ Category experts or new students?
- ✓ Winning new business or losing brands?
- ✓ Conduct reference check on all new distributors
- ✓ Do you enjoy the people?

## Ten Tips: Getting a Distributor to Love Your Brand

The classic industry question is: "How do you maintain distributor focus on your company priorities once you leave the market?" There is no easy answer, but a solution is to encourage a distributor to "fall in love" with your brand and company. Falling in love is based upon an attraction to a person and enjoyment of spending time with them. The same feelings can apply to a brand. I regularly witness super human efforts by distributors for small and medium sized brands just because of "Brand Love." Listed below are Ten Tips to romance your distributors to superior results.

### 1. Master Chef Endorsement

The first step is convince the distributor team to be passionate consumers of your product and enthusiastic brand ambassadors. For food products, invite all of the group to lunch at a popular local restaurant. Pay a well-known chef to prepare a meal featuring your products. Or cook lunch for them yourself. For candy and snack brands, provide samples to share with the distributor's children's sports clubs. Provide frequent and generous samples to all of the distributor team.

### 2. Fun Sales Meetings

Every distributor has sales meetings for their entire company. These are usually a repetitive drone of Powerpoint slides. Why not hire an agency to create a fun presentation module which may include audience participation, games, or costumes? Or sponsor a local motivational speaker or training workshop using your products as the case studies. Break the mold of boring meetings!

### 3. Provide Great Customer Service

Respond to requests quickly. Ship complete containers to keep the pipeline filled. Pay all bill-backs promptly.

### 4. Distributor Awards

Recognize your high performing distributors with an award. This could be Distributor of the Year or for \$1 million in sales or for 15 years of partnership. Some companies sponsor smaller awards for key account manager of the year in each market and retail representative of the year. Publicize the event by awarding a plaque, hold an awards luncheon, take photos and share a press release of the celebration.

### 5. VIP Visit to Corporate Headquarters

Treat your distributors as VIPs at your corporate office. This trip creates a memorable bonding experience and a chance for you to serve as a good host. Take the distributor to a product development lab and organize a meal with your CEO or executive officers. Make him feel like part of the family.

### 6. Support Local Events and Charities

Creative distributors drive incremental sales through local marketing events. Display a willingness to support their ideas and invest in new programs. Events that sync with the distributors (or retailers) special charity build substantial goodwill and appreciation.



### 7. Annual Incentive Trip

Many companies sponsor trips for distributor executives who attain their annual sales quota. Mid-size brands source added focus by sharing the benefits of a good year by inviting achievers (and spouses?) to trips in resort locations like Hawaii or international cities such as Rome. Everyone works hard to qualify and vow to return "year after year."

### 8. Holiday Baskets

Send baskets or gift packs to distributor employees that include your product and other adjacent holiday items. The idea is to extend your brand's relationship to your partner's homes.

### 9. Distributor Advisory Council

Form a small elite group of distributors to advise your company on international development. Meet twice a year with access to your companies senior management. All members of the Distributor Advisory Council will meet their sales target.

### 10. Treat Distributors as Your Best Customers

Be nice. Say "thank you" frequently. Send handwritten notes to people to recognize a nice display or a fixed problem. Have fun while you work.

Distributors may work with twenty brands or more, each shouting for attention. Distributors support all their brands, but there is no magic science to allocate time equally. Naturally, we all spend more time and effort for the brands and people we like. What can you do to make your distributors "Fall in Love?"

Need more information? Visit [www.exportsolutions.com](http://www.exportsolutions.com).

## *Recipe: Best in Class Partnerships\**

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

*\*Mix Well for Best Results*

## Who Is My Team?

Big distributors feature large teams with strong capabilities.

Manufacturers want to know who is their functional contact and how much time do they dedicate to my business?

Function	Distributor Contact	Title	Email	Phone (mobile)
Senior Management (Owner/MD)				
Marketing Manager				
Sales Manager				
Brand Manager				
Field Sales Manager				
Finance				
Supply Chain				
Purchasing (order placement)				
Accounts Payable				
Accounts Receivable				
Compliance/Registration				
Customer Service Manager				

## Ten Tips: Connect with Distributor's CEO

How well do you know your distributor's CEO or MD? Many exporters spend 80% of their interaction with their "brand manager" at a distributor. Contacts with the CEO or managing director may be limited to a 30 minute meeting during a market visit or a phone call when something goes wrong. Brand managers represent the day to day master of details for your business. However, the CEO controls the purse strings, strategic direction and resource allocation for the distributor's stretched sales team. Creating a good personal relationship with the distributor's leadership is critical to sourcing attention for your brand's priorities. Export Solutions shares our Ten Tips to develop a good relationship with the distributor's CEO or senior decision maker.

### 1. Quarterly Phone Meeting

Check in at least every three months to establish regular dialogue, not just when a problem erupts. Phone topics can be strategic as well as tactical. CEOs love to share perspective on their outlook on the retail business in their country, successful programs being executed by other brands, and planned capital investments in distributor's infrastructure and organization. Your agenda is to leave the CEO with a clear message on the overall state of your business and 1-2 top priorities to meet budget expectations.

### 2. Form CEO Advisory Council

Create a small, elite, advisory board of several of your distributor CEOs. Meet two times per year, once in a resort location and another time at your corporate headquarters. Meetings could include outside speakers and access to senior industry leaders. Establish a two year term, with rotating membership. Other distributors should view this as an honor to be invited to be on your CEO advisory council.

### 3. LinkedIn

Are you LinkedIn with your distributor's CEO? LinkedIn counts almost 600 million participants worldwide. A LinkedIn relationship keeps your name "active" in the CEO's bandwidth. LinkedIn connections see your updates, activities, and news. A well managed LinkedIn profile allows you to share articles and insights to your network. Over time, this will allow you to learn more about the distributor CEO and vice versa. Reminder: distributors get nervous when they see their competition listed as a new LinkedIn contact for you! Any distributor or CEO not on LinkedIn may be "old school" or failing to network very hard which in itself is an important insight.

### 4. Meet your CEO

Distributors love to conduct "top to top" meetings with your CEO or leadership team. Invite your CEO to visit a market and request the distributor owner's full participation. It will be amazing to see the market issues that get solved prior to the arrival of your CEO.

### 5. Speaking Invitation

Distributor executives can share broad perspectives on industry observations sourced from a variety of suppliers. Most would be flattered by an invitation to speak at your company's annual sales meeting or local industry conference. Suggested topics are the distributor's own success story, trends and innovation or another area where the distributor has demonstrated a unique capability. Organizing and hosting the speaker normally requires significant interaction on speaking topics and logistics supplying further personalized contact opportunities.



### 6. World Cup, Wimbledon, or World Series

Every country has a "hot ticket" for a big sporting event. Many brands have sponsorship relationships for local teams. Find out the distributor's favorite sport or pursuit and find a way to connect. Some distributor CEOs may appreciate an invitation to the opera or a rock concert more than a Formula One race. Make sure that it is a VIP experience, as a poor seat can breed disappointment.

### 7. Ask for Advice

Distributor CEOs love to provide feedback. Share with them prototypes for a new product or advertising campaign. Seek to benchmark with the distributor's other non-compete brands. Ask for examples of other companies that they represent who serve as "best in class" in supply chain, information technology, or other functional areas.

### 8. Factory Tour

A well executed visit to your production facility represents a perfect opportunity to demonstrate your category leadership and commitment to quality. Couple the factory tour with a meeting with your research and development team to impress the distributor with your plans for the future. Finish the day with a dinner with your company president or other senior executive from your team. This will provide an excellent opportunity for you to serve as a "host" and create lasting impressions of your brand beyond numbers on a price list.

### 9. Annual Tradition

Create an annual event where the distributor's CEO always participates. This could be an invitation to your company's annual meeting or an activity linked to your brand's big promotion or peak seasonality. It is a normal request to have the CEO's full attention for at least one day per year.

### 10. Dinner & Golf

Golf still represents a great five hour bonding experience. Invite the distributor to play at a famous course in your country. Dinner at a first class restaurant with the CEO and their spouse may be a treat.

A personal relationship with the distributor's CEO is good for both parties. This eases business problem solving and sends a message to the distributor's organization that you have open channels to top management. In times of career turbulence, distributor's CEOs can be great references for your job search.

## What Makes a Great Distributor CEO?

CEO Assessment	Considerations	Rating: (10 = Best)
Achieves Joint Business Targets	<ul style="list-style-type: none"> <li>Committed and dependable.</li> </ul>	
Dedication to Your Business	<ul style="list-style-type: none"> <li>Knows details. Visits your HQ.</li> </ul>	
Willing to Invest	<ul style="list-style-type: none"> <li>People, technology, brand building.</li> </ul>	
Strong Customer Relations	<ul style="list-style-type: none"> <li>Senior contacts at top retailers.</li> </ul>	
Relationship With Brand Owners	<ul style="list-style-type: none"> <li>From export manager to CEO.</li> </ul>	
Response Time	<ul style="list-style-type: none"> <li>Same day to one week?</li> </ul>	
Thinks Like A Marketer	<ul style="list-style-type: none"> <li>Creative, brand building ideas.</li> </ul>	
Frequent Visits: Retail Stores	<ul style="list-style-type: none"> <li>Good grasp of retail conditions.</li> </ul>	
Problem Solving	<ul style="list-style-type: none"> <li>"Hands on," responsive.</li> </ul>	
Compound Annual Growth Rate	<ul style="list-style-type: none"> <li>Flat to 10% or more.</li> </ul>	
Cost to Serve Transparency	<ul style="list-style-type: none"> <li>Detailed understanding of costs.</li> </ul>	
Celebrates Team Success	<ul style="list-style-type: none"> <li>Awards, promotions, raises.</li> </ul>	
CPG/FMCG Background	<ul style="list-style-type: none"> <li>Senior level external experience.</li> </ul>	
Years of Service	<ul style="list-style-type: none"> <li>New to 20 years or more.</li> </ul>	
Local Industry Leader	<ul style="list-style-type: none"> <li>High profile in community.</li> </ul>	
Work Ethic	<ul style="list-style-type: none"> <li>Office time vs. overseas trips?</li> </ul>	
Information Technology (IT)	<ul style="list-style-type: none"> <li>Invests in "best in class" IT.</li> </ul>	
Ethical and Trustworthy	<ul style="list-style-type: none"> <li>Principled, respected partner.</li> </ul>	
Respects Manufacturer's P & L	<ul style="list-style-type: none"> <li>Sells profitable cases.</li> </ul>	
Relationship: Entire Team	<ul style="list-style-type: none"> <li>Finance, logistics, administration.</li> </ul>	

# Export Accelerator



Why have Barilla, Pringles, Nature Valley, Starbucks, Duracell, Nestlé, Tabasco, Pepperidge Farm, and other leaders used Export Solutions as a distributor search consultant?

- Powerful distributor network: owner of industry database 8,600 distributors – 96 countries
- Professional 10 step due diligence process
- Results! We make Export Managers' lives easier!

**Contact Us for Distributor Search Help in 96 Countries**



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“Spend time *Selling* to Distributors versus  
*Searching* for Distributors”



## Who is Your Brand Champion?

Successful distributors may represent twenty companies or more, with each brand shouting for attention. Exporters should identify, develop, and applaud a Brand Champion at each of your distributor partners. A Champion is someone who is passionate about your brand and values leadership results for your company as something deeper than just selling another case. At some point your company and distributors made a commitment to work together.



This decision was based upon a sense of shared company values and belief that your brand could make consumers happy and the distributor money. As time progresses, this initial enthusiasm fades, and partners forget the fundamental reasons why they decided to work together.

Recently, I was in the Middle East for two distributor search projects. We hitched a ride back to our hotel with the “purchaser” of imported brands for one distributor. This person had not participated in our meeting and maintained oversight for at least 40 companies. We exchanged pleasantries in the car, then introduced our brand. This manager immediately exclaimed, “That’s my baby” and spouted out movement figures, category insights and sales by store for each of our core SKUs. His spontaneous enthusiasm was based upon the fact that he felt personally responsible for the success of our brand in his country, even though we had never met him before.

Listed below are Export Solutions ideas for promoting the importance of Brand Champions at each of your distributors.

### 1. Who is Your Brand Champion?

The champion is not just your assigned brand manager who you deal with everyday. I prefer senior people of influence who originally supported the idea of partnering with your company. The ideal champion is the distributor CEO or National Sales Manager. Brand development is a “team” sport and you need someone who can inspire the entire group.

### 2. How Do You Develop a Champion?

As with sports, it takes years of training to support natural ability. Invite the Brand Champion to your corporate headquarters. Organize factory tours and meetings with the global brand managers. Introduce him to the CEO or head of international and treat him to a meal at your home. Spend time with your Brand Champion visiting stores in his country to secure his ideas to take your business to the next level.

### 3. A Champion Delivers Year After Year

A Champion is defined by leadership results. A true champion is not a “one year wonder.” It is someone with a long term commitment and personal investment in your brand’s success.

### 4. How Do You Treat A Brand Champion?

Champions thrive on recognition. Give them an award as “Distributor of the Year” or for serving as a member of your company’s Brand Champions club. Invite them to serve on your company’s “Distributor Advisory Board,” if you have one.

### 5. Brand Champion Responsibility

Challenge the Champion to deliver exceptional results. The Brand Champions are “true believers” and are aligned with your vision. Many distributor sales teams are filled with Brand Champions. Distributors have favorite brands, based upon the prestige of the brand and personal characteristics of the people working for the manufacturer. One of my mid-size clients has many Brand Champions. How? They offer a great brand, inclusive corporate culture, and some of the nicest, most genuine people you will ever meet. Brand Champions are essential for your brand to elevate from just playing in the export game to category leader.

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*“Spend Time Selling to Distributors versus Searching for Distributors”*

## 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



## People Power: Distributor Brand Managers

Brand owners demonstrate significant due diligence in selecting a new distributor. This includes lengthy negotiations with the distributor's owner and development of a marketing plan with their senior management. Typically, you sign a contract and then they introduce you to "John" (example), a 30 year old Brand Manager who will be your first point of contact. In reality, most brands are in daily contact with "John," but do little up front to evaluate, select, or define "John's" role in building your business.

### Role Definition

Normally, the title of Brand Manager is assigned to your primary point of contact at the distributor. This person serves as the central switchboard of all elements regarding your brand's business at the distributor. Problem solving, logistics issues, promotion planning, and chasing payments are just a few of the everyday tasks assigned to the Brand Manager.

### Can your Brand Manager "Move the Organization?"

A key issue is the seniority of the person assigned to your brand. Are you working with a top manager who has a close relationship with the CEO? Or are you working with a junior person who works hard, but basically maintains the flow of paper? In most cases, I look for a person that commands the respect of the distributor organization. Many distributors have multiple brand managers, all lobbying for share of voice from the team. "Best in Class" Brand Managers possess the tenacity to motivate the sales organization to achieve the results and priorities required for your brand.

### Workload

Brand Manager workload is always a key issue. A Brand Manager may be shared by 3-5 brands. This approach may be acceptable if you are a niche brand and you are achieving desired results. On the other hand, it is frequently preferable to secure a dedicated Brand Manager who spends 100% of their time working on your business. Exporters need to recognize that Brand Managers cost money, so your contact's workload is directly proportional to the income generated by your brand.

### Marketing Versus Sales Background

Brand Managers typically come equipped with a marketing degree. This background is helpful if your brand requires a "classic marketer," combining creativity with deep focus on the consumer. In other situations, Brand Managers with sales expertise prove to be adept at participating at key account sales calls and understanding the best methods for working with the sales force.



### Compatibility

Do you like your Brand Manager? Most companies spend extensive time working with their distributor Brand Manager contact. You must be aligned and develop a healthy working rhythm. This can be difficult, as you share common objectives, but report to separate bosses and perhaps different incentives. In many cases, a brand owner develops a strong personal relationship with their brand manager. This can be unhealthy if they like their contact, but let this relationship continue even if results are poor.

### People Power: Next Steps

A strong Brand Manager serves as your "Brand Advocate" at the distributor. Export managers need to include assessment of their potential Brand Manager as part of the Distributor selection process. Ask "Who will be my day to day contact? Why? Other choices?" Avoid "paper pushers" that are nice people and can complete forms but offer few new ideas, complain about being overworked and fail to capture the attention of the sales force. Winning Brand Managers bring energy, new ideas, and results to your brand. Recognize Brand Managers who maintain the skill set to take your annual plan, add creative ideas appropriate for their market, and drive the sales organization to deliver the results!

## Greg's Guidance: Export Strategy 2025

- ✓ What are your Lessons Learned?
- ✓ What are your Core Competencies?
- ✓ Which countries offer exceptional growth for your category?
- ✓ How much is your company willing to invest? Marketing, People, Promotion
- ✓ What will our organization need to do differently?
- ✓ What are realistic measures and benchmarks?

## Brand Manager Assessment

Your distributor Brand Manager represents your key day to day contact. Successful Brand Managers are good partners and deliver results, not excuses. Is your Brand Manager an experienced veteran or new hire (rookie)?

Assessment Criteria	Rating: (10 = Best)
Years industry/distributor experience	
Years sales/commercial experience	
Reports to owner or senior leadership team	
Workload: dedicated or shared with many brands	
Responsiveness: gets things done quickly!	
Category knowledge: technical, competition	
Analytical skills: shipment trends, Nielsen data	
Problem solving	
Develops creative promotions	
Reports: accurate and on time	
Enthusiasm for your company and the business	
Participation on customer calls, store checks	
Forecast accuracy	
Influence distributor team: focus on your priorities	
Delivers/exceeds shipment objectives	

## Ten Tips: Measuring Distributor Enthusiasm for Your Brand

All your distributors express enthusiasm and commitment for your brand. True passion for your partnership is measured by what distributors do, not by what they say. Listed below are ten tips to consider when measuring Distributor enthusiasm for your brand.

### 1. CEO Commitment and Involvement

The CEO steers the distributor ship and sets the tone for your business relationship. Best in Class Distributor CEO's reach out via phone to touch base periodically and spend time with you when you are in town. They keep up to date on your priorities and key issues and ensure that his team is delivering good service and results.

### 2. Responsiveness to Problems

Urgent situations erupt in every market. Currency devaluations, product recalls, or missed budget numbers require immediate attention. What is the distributor response time? Does the distributor share your sense of urgency? How long does it take to get problems fixed?

### 3. Customer Introductions

Most distributors maintain good relationships with leading retailers. Enthusiastic distributors are happy to introduce you to the leadership of their customers. These distributors will use their personal relationships and "favors" to benefit your brand.

### 4. Best People Assigned to Your Brand

The distributor functions as a team. Every team has superstars and developing players. How does the distributor allocate "talent"? Are the stars working on your business?

### 5. Web Site Prominence

A Distributor's web site offers important clues to distributor professionalism, services, and core brands. How prominently is your brand featured on the distributors web site? Is a case study using your brand results mentioned? Is your brand logo listed at the top of the page or buried at the bottom?



### 6. Distributor Visits to Your Headquarters

How often does the distributor travel to your headquarters or factory? Does the distributor have a relationship with your CEO, vice president of international, or other leaders? Many distributors are interested in visiting companies based in San Francisco or London, but true enthusiasm accompanies meetings in Chicago or Hamburg during the winter!

### 7. Creative Ideas

Distributors can be magicians at developing "new ways to solve old problems." Good distributors bring innovative ideas to adapt your plan and funding budget to the local market. How often does your distributor apply their brilliant new idea to your brand?

### 8. Distributor Awards and References

Successful distributors proudly display their awards in conference rooms and lobbies. Is your award visible? I always ask distributors for references from other brand owners. Does the distributor use your name as a reference or request a testimonial from you on their performance?

### 9. Love Your Brand

I have written an entire article on getting a Distributor to Love your Brand. There are many ways to feel the love. Does the distributor sales team wear the shirts with your brand logo or use the pens that you handed out at the last sales meeting? Is the distributor able to secure a customer meeting for you on one week lead time? Are they happy to see you arrive or just to see you depart?

### 10. Exceed Expectations Everyday

The most enthusiastic distributors exceed your expectations everyday. This includes shipment results in excess of overall market growth and total organizational support behind your new product introductions. Enthusiasm is not measured in words and weeks, but in actions carried out over many years by a Best in Class partner.

Need a hand? Visit [www.exportsolutions.com](http://www.exportsolutions.com).

## *Field Sales – Capability Assessment*

Number of sales offices (list locations)	
Total field sales representatives (or merchandisers)	
Number of sales reps outside capital area	
Number of field sales supervisors	
# Full time representatives vs. # part time	
Average years of service: representatives	
Average stores per representative	
# stores visited per day	
Average time spent per store, per day	
Do you have multiple reps visiting each store?	
# SKUs handled per sales rep	
# priorities per store visit	
# sales reps with laptop or tablet	
# sales reps with phone with reporting capability	
Compensation: percent fixed vs. variable?	

## *Field Sales – Coverage Frequency Template*

Retailer	#/Stores	Daily	Weekly	Bi-Weekly	Monthly	Never
Sample Chain	200	0	50	100	40	10

## *Country Listing Map – USA Example\**

*“Required Template for Every Country”*

Retailer	Stores	Sku 1	Sku 2	Sku 3	Sku 4	Sku 5	Comments/Plans
Walmart SC	3,570	x	x	x			Skus 1, 2, 3 stocked at only 2,000 Supercenters
Costco	546					x	Special sku 5 for Costco
Kroger	2,759	x	x	x	x		Category Review March
Albertsons	2,262	x	x	x			New shelf set
Publix	1,260	x	x	x			BOGO Ad November
Ahold-FL	1,971	x	x	x	x		New sku 4 listing
HEB	345	x	x	x			Category Review March
Meijer	247	x	x	x	x		Holiday Display Program

\*Instructions: List top 10 customers for every country. List all your key skus (items). “X” indicates item stocked at customer. Blank space represents a distribution void.

## Ten Things That Distributors Like

### 1. Respect For Their Right to Make a Reasonable Profit

Distributors have profit targets just like manufacturers do. Distributors measure total supplier contribution, defined by sales multiplied by gross margin. How much value do you receive from your distributors relative to your contribution to their profits?

### 2. Investment in Brand Support

Distributors love companies that invest in above the line activities such as television advertising, radio, social media, print, and sampling. Distributor volume is proportional to your investment in brand support activities. More marketing dollars usually translates to greater sales and profits for the distributor.

### 3. Awards

Most distributors proudly display their Distributor of the Year awards in their office lobby or executive conference room. Recognition can be given for distributor of the year, or achievement of \$1 million in sales, most improved store conditions, or ten years of service.

### 4. Market Visits (But Not Too Often)

Periodic market visits allow you to share ideas, monitor progress, and discuss issues. These trips serve as motivational, relationship building events, particularly if you can spend time together "out of the office."

### 5. Endorsement of Local Marketing Events

Best in Class partners maintain the ability to create unique local programs to build your brand. Voting with your marketing dollars stimulates the team to deliver and continue to bring you their best ideas.



### 6. Trip Contests – Quota Makers Club

Many believe that achieving your annual target is a job standard. This is true, but watch distributors ship cases like crazy when trying to qualify for a trip to a resort location! Plus, the trip generates incredible goodwill and all vow to meet their objective to return "next year."

### 7. Market Research

Distributors aspire to appear as category experts. Access to syndicated data from Nielsen plus local consumer research allows them to distinguish themselves from other vendors armed with hollow words and broad claims on a PowerPoint presentation.

### 8. Invitation to Your Corporate Headquarters

A trip to the USA or Europe is a dream come true for distributor brand managers in emerging markets. Treat them like a VIP, and they will be loyal forever.

### 9. Lunch for the Support Staff

Order processing, customer service, and other administrative people form the hidden backbone of the distributors team. Buy the group lunch and you can be a hero for \$100-\$200. Guess whose orders will be handled first at the end of a quarter?

### 10. Letter of Thanks

Our industry depends on email too much. How do you communicate sincere thanks when someone receives 200 emails a day? Send a personal letter via the post office recognizing a successful new product launch, creative promotion, or above and beyond effort. Extra points provided for a handwritten note! These letters are treasured forever.

## Talk to an Expert

- Find Distributors in 96 Countries
- International Strategy Road Map
- Fix Problem Markets
- Next Level Sales Management
- Export Workshops
- Motivational Meeting Speaker



Contact Greg Seminar at (001)-404-255-8387 to discuss your business development project.

[www.exportsolutions.com](http://www.exportsolutions.com)

## Ten Things Distributors *Don't* Like

### 1. Unrealistic Expectations

Category growth ranges from 1% to 5% in most Western countries. So how can a manufacturer demand a 10% increase in sales in a mature market? It's possible if the brand plans a major increase in marketing spending. However, normally, business growth parallels overall market conditions.

### 2. Direct Contact With Their Assigned Retailers

Tricky retailers attempt to bypass a distributor by contacting the brand owner. Normally, the retailer has his hand out for more money or wants to "buy direct." Be polite, but ask the buyer to work with the distributor or schedule a joint meeting for your next visit.

### 3. Cut Marketing Budgets

Leading distributors depend on joint business plans, often created up to one year in advance. Last minute squeezes, translating to budget cutbacks sometimes need to happen, but still hurt.

The distributor is left with delivering the bad news and also hitting the sales target, even with reduced support.

### 4. Short Shipments

Everyone loses due to short shipments. Distributors could be assessed penalties by retailers. Store level shelf space may be lost and need to be recaptured. Keep the pipeline filled, particularly during peak seasonality.

### 5. Price Increases

Rising raw material input costs may require adjustments in list prices. The reality is that price increases are brutal to implement in many countries. Eventually, they are incorporated after months of stand-off's. In many cases, distributors are forced to accept the price increase from the brand, but are forced to swallow the increase until they can negotiate with the retailers.



### 6. Endless Reporting

Some brands are guilty of a constant stream of reporting requests that take time to complete. Ask: Is the report really necessary? Legitimate requests are forecasts, shipment results, major retailer listing maps, price surveys, and new product launch status updates.

### 7. Frequent Market Visits

Your partners require time to accomplish their objectives without constant oversight. Distributors appreciate short, productive visits on a quarterly basis. More frequently for a big company and less often for a small brand. Get in, conduct your business and off to the next country. Week long visits to small markets represent a distraction.

### 8. Margin Reductions

Distributors depend on their margin to cover fixed overheads like logistics and cost of their sales team. Often, their net margin is only 3-5% or lower. Margin reductions or increased costs challenge their ability to operate a financially healthy business.

### 9. Last Minute Requests

End of the year volume pushes and rush orders are part of the business. However, everything functions better when normal lead times are respected. Separate "must do" demands from "nice to have" requests.

### 10. Delayed Response to Local Ideas

Manufacturers encourage distributors to create unique local approaches to brand building. Retailer buyers also call their favorite distributors with short term promotional opportunities to participate in a special event. Distributors need quick decisions on your ability to support their idea. Few things are more frustrating for a distributor than a lengthy wait while their proposal is debated by numerous levels of your company management.

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## Customer Relationship Assessment

All distributors claim strong relationships with their biggest customers. Below is Export Solutions' template for evaluating distributor key account relationships. Best way to evaluate distributor relationships? Your company's market share and volume growth at the customer versus the balance of the market !

Assessment Criteria	Rating: (10 = Best)
Distributor viewed as an important supplier to the retailer/buyer	
Open to bringing brand owner to customer meetings.	
Ability to schedule buyer/CEO meetings outside the office.	
Can negotiate standard listing fees and other program costs.	
Pricing: access to price coordinator. Ability to make changes.	
Shelf: access to decision maker. Space in excess of market share.	
Merchandising Flier/Catalog: Ability to get prime feature space.	
Relationship/access to retailer owners, senior executives.	
Problem solving: rapid response? Emergency orders etc.	
Payment terms.	
Access to retailer movement data.	
Category captain or "advisor" for my category.	
Vendor awards?	
Knowledge of retailers systems. "How to get things done."	
Sales results versus overall market and retailers internal growth.	



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**Middle East**  
862 Distributors  
12 Countries

**Asia**  
1,945 Distributors  
17 Countries

**USA Importer/Distributor:**  
549 Distributors

**Latin America**  
1,537 Distributors

**Europe**  
2,840 Distributors

***8,600 distributors – 96 Countries***

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## Boots on the Ground

What is your people strategy for your export business? Companies can't claim to be committed to international development managing via remote control from corporate headquarters. In the past, you could do it all... one person handling the globe and enjoying a few grand tours per year.

Today the business has changed, with exporters selling to 30, 70 countries or more and overseas sales accounting for 50 percent or more of growth. International distributors are allocating their valuable time and resources to manufacturers with "loud" local representatives. Distributors try their best for other brands, but "out of sight, out of mind" behavior may evolve. A challenge is that many companies are reluctant to invest in headcount in advance of sales.

Listed below are Export Solutions' tips on increasing your "boots on the ground" in foreign countries.

### 1. Regional Hubs – Common Option

Logical choices are Dubai, Miami (Latin America), and Singapore. Other popular spots include Panama or Bogota for Latin America. Some companies are avoiding expensive places like London or Hong Kong and hiring representatives based in alternates like Amsterdam or Manila. Usually the idea of placing your Asia representative in Shanghai and Latin America manager in Sao Paulo does not work out, as these people tend to remain appropriately anchored in their home country.

### 2. Loan a Company Missionary to a Strategic Country

In the past, companies would send brand managers to the field for mandatory sales training. The same concept applies to overseas countries. Assign a promising young manager to a 3-6 month project in a new or strategic country, imbedded in the distributor organization. They'll learn and you'll benefit from your "insider."

### 3. Hire Inexpensive Locals

In many emerging markets, a \$30-\$50,000 salary represents a solid, mid-level, career opportunity. It may be more productive to have four locals in Malaysia, Philippines, Thailand, and Indonesia than one high paid expatriate in Singapore.

### 4. Poach Your Distributor Brand Manager

Some distributors may gripe, but many will actually encourage the practice. The distributor employee knows your business, people, and how to get things done. Distributor owner likes his former employee on his large manufacturer's team due to a strong bond and common understanding of business issues. Multinational suppliers source a "trained" manager and offer a more attractive compensation package.

### 5. Export Management Companies

Regional export management companies are an attractive outsourced option. These companies feature experienced export managers who visit countries frequently, representing a basket of different brands. Compensation may be via a "fixed fee" or commission. Look for companies based in your target region versus your own company backyard. Hire companies that have international branches or travel constantly.

### 6. China and USA (European Brands) Require a Dedicated Manager

It's nice to visit the USA or China as top priority export markets a couple times per year. Don't expect to accomplish much as offshore guests. Both China and USA are extremely complex countries, with multiple channels, enormous geographies, and matrix partner models required. Hire at least one local person if you are serious. The same approach could apply to other large, high potential countries such as Mexico, Saudi Arabia, or Japan.

Export development is a team sport, not a one man show. The battle for distributor share of mind has intensified. Signal your support to long term development by increasing your in-country visibility.

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## Strategic Services

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1. Identify Best in Class Distributors: 96 Countries
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7. Walmart International
8. Distributor Contracts, Margins, & Fees
9. Meeting Speaker
10. International Strategy Expert

## People Power: Strong Teams Build Great Brands

The game has changed and companies are accelerating investment in offshore managers. As home markets mature, export development is a strategic growth engine for most companies. In the past, many would cluster export departments at the home office. Today, best practice performers establish teams in strategic countries and hubs so that their people “wake up” fresh in their key market versus arriving jet lagged twice per year. Investment in local managers may generate higher returns than increased trade spend budgets.

### Distributor Focus

Historically, distributors served as local tour guides, hosting a parade of overseas brand owners. Business review, two store checks, big promises, nice dinner and then off to the airport until the next visit in 6 months. Today, distributor attention is dominated by the brands that staff people based in the country or the region. Local export managers feature the capacity to understand market details and shout loudly and more frequently. Periodic visitors suffer from out-of-sight, out-of-mind syndrome. The “distributor respects what the brand owner inspects.”

### China and USA

China and USA remain the two top opportunities for most suppliers. Both countries feature an open door to innovative brands willing to pioneer. These giants contain a multitude of regional and channel complexities. Winners are establishing teams in China and the USA. This includes a general manager with financial control, local sales executives to manage distributors or USA brokers, marketing and supply chain professionals. Hiring one person is a start, but results are directly proportional to your investment. For those electing to manage these countries from overseas, consider sharing an employee or hiring an agent. Otherwise skip China and USA until you can focus with the proper manpower.

### Double Your Headcount: Asia, Latin America

Many companies maintain a structure including one manager assigned to Asia Pacific and another for Latin America. This represents a good start. Brands with distributors throughout these regions soon discover that it is a challenge to provide focus and customer service when your network includes 10 to 20 distributors covering a broad geography. In Asia, some elect to split the territory into China, North Asia (Japan, South Korea) and Southeast Asia. For Latin America, a natural division may be Mexico and Central America with another manager for South America. South America can be further split into Brasil, Mercosur (Argentina, Chile) and Andean (Colombia, Peru, Ecuador) regions.



### Inside Work or Outside Work?

Export roles and responsibilities include global headquarter roles supplemented by field-based market experts. The home office usually features the international senior executive to represent the division plus global marketing, supply chain, finance and administrative help for compliance and labeling tasks. Regional export managers are most productive when they are based in their assigned region, close to the customers, distributors, and consumers.

### Regional Hubs and Country Offices

Top export markets like USA, China, Brazil, Mexico, Saudi Arabia, and Japan frequently support their own dedicated office and cross-functional teams. These may be supplemented by regional hubs in places like Dubai, Miami, Singapore, Hong Kong, Panama, or Bogota.

### Manila and Jakarta Versus Hong Kong

Some companies elect to hire three people as country managers based in Manila, Jakarta, and Bangkok versus one senior person in a high cost city like Hong Kong or Singapore. Also note that Indonesia has a population of 275 million, the Philippines 108 million versus Hong Kong at 7.5 million.

### New Business Development Role

There is a specific skill set required to source, evaluate, and sign new distributors. This is different “work” than the typical regional export role of managing existing distributors. Some companies accelerate their export growth with a

*continued on page 20*

## People Power: Strong Teams Build Great Brands

continued from page 19

manager dedicated to new business development. This person has individual metrics geared towards establishing new relationships. Naturally, he works side by side with the regional managers who will ultimately manage the business.

### Cross Training Assignment

Some companies send mid-career functional experts from marketing, sales, or supply chain to work at important distributors. This in-house placement delivers a dual benefit. The distributor provides more focus while your employee is there and your team member builds personal bridges that last a lifetime.








### Expat or Local Hire?

An expatriate employee serves as a company missionary. He knows how to "get things done at headquarters." They know their brands and often possess a long-term career outlook with a company. Unfortunately, most expats rotate on a three year assignment. Year one to get settled, year two is productive and year three begins the transition home cycle. Expats may also be an expensive investment when you factor in housing, schools, travel, etc. Other companies elect to hire local experts. These experienced managers know country habits, language, retailers, and how to achieve realistic objectives. A benefit is their long-term commitment to the country and their salary structure may be lower than a European or USA expatriate. Both options can succeed with proper oversight.

### International Distributor Meetings

Ultimately, the idea is to facilitate more contact and visibility with your overseas distributor network. Many companies sponsor regional distributor meetings in Miami or Dubai which include all their distributors in a resort location. These meetings are popular and productive. Another idea is a group

## Create Your Own Export Library

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-  *People Power*  
*Strong Teams Build Great Brands*

All Guides available free at  
[www.exportsolutions.com](http://www.exportsolutions.com)  
in the *Export Tips* section.

dinner at SIAL, ISM, or Gulfood. Other manufacturers establish a distributor advisory panel which invites CEOs of pivotal distributors to meet with senior management. Lastly, consider an invitation to your distributors to visit your company headquarters or factory. Treat them like a VIP and they will return energized and committed to deliver their sales objective.

## Looking for Good Distributors?

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**Export Solutions**  
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## Who is Bill Doyle?

Every successful manager has a special person in their career that mentored them and promoted their potential to the big bosses at headquarters. In my case, this was Bill Doyle. Bill was a crafty veteran, my division manager at Clorox. Bill Doyle defined "old school," having honed his skills on the rough and tumble streets of New York for Procter and Gamble and Phillip Morris. USA brokers fearfully called him the "Doctor" because he usually showed up when the business was sick.



Bill Doyle passed up several opportunities to move up the corporate ladder. He threw all his energy into discovering exceptional young talent and developing them. Doyle led by example and created an unprecedented record of advancing his people to the upper levels of management. Bill Doyle taught me most of what I know about the fine art of store checks. "What's measured is treasured." I guess I impressed him when he challenged me to focus on a broker's in-store performance. I quickly produced analysis based upon checking 300 of the broker's 400 stores within a six week period.

In the world of export, we are frequently asked to create miracles with limited budgets and stretched resources. We can not do it all alone. One of Bill Doyle's many lessons was to focus on people development and spending time in the trenches. A well written letter or a timely phone call from Bill could inspire the troops to achieve the desired results.

There are two questions to think about.

What are you doing to promote and develop young talent at your company?

Big companies like Nestlé, Coke, and General Mills sponsor structured mentoring programs. Smaller companies are more informal, but still committed. Structured or unstructured, the greatest gift an executive can share is his time. Examples include participation in a week long market visit to a quarterly checkpoint lunch or an invitation for a young talent to sit in on a senior management meeting. We all thrive from positive written communication. I still have "attaboy" letters from my early days at Procter and Gamble. One of my popular bosses, who later became a CEO, maintained a large stack of index card notes on his desk. Each day, he dedicated time to draft handwritten notes to team members, customers, and contacts with a few short sentences of encouragement or recognition.

What is your export training program?

International development and distributor management is a science. Senior managers rely on years of experience. Newer people to export are frequently sourced from the home market organization, with strong industry fundamentals, but are quickly lost when they step off the plane on a new continent. Each year, I conduct 1-2 day training workshops for companies focused on export expansion as well as government trade associations. The sessions are always highly interactive and a form of team building. Typically, everyone participates from the international leader to the customer service representatives. Looking back, I always reflect on the positive group spirit and sense of shared purpose at the companies that invest in formal export training. Will your legacy be based upon your own accomplishments or a that of a strong pipeline of future leaders?

I have been fortunate enough to work on export projects from Mexico to Mongolia and Italy to India thanks to the support of Bill Doyle and others at Clorox (Rich, Joe, Tom, Glynn) who took an interest in my career. Today, I took Bill Doyle out for lunch to say thank you. Who is the Bill Doyle who made a difference in your life? Give them a call today to express your appreciation and update them on your activities to develop your own team.

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## Ten Tips: Improving Market Visit Productivity

You can usually spot an export manager in the fast track lane at airport security with the diamond level frequent flyer card and bulging passport. Many of us spend half of our business lives on the road, serving as roving brand ambassadors for the companies that we represent. Our friends envy this glamorous life, little do they know how punishing it is to take red-eye flights and eat mediocre airport food. While this lifestyle appears as normal for most of us, it makes sense to review some fundamental ideas on how to obtain the most productivity from our companies' investment in our business travel.

### 1. Define Purpose for Each Market Visit

Export Solutions identifies seven management roles for a market visit:

Doctor:	visiting to handle a problem
Architect:	design new plan for achieving objectives
Coach:	trip to teach distributor about your brand
Babysitter:	follow up on key priorities
Gardener:	cultivate new business and relationships
Fan:	cheer good distributor on to great results
Tourist:	we enjoy the country

In reality, a productive visit encompasses parts of all of the above roles.

### 2. Schedule: Minimum Six Weeks Lead Time

Organize your visit with six to eight weeks lead time. This guarantees that all key people will be available during your visit. It also reminds your distributor that you are coming soon and there is time to fix problems before your arrival.

### 3. Agenda and Analysis

Send market visit agenda four weeks in advance. Review progress versus key initiatives and annual objectives. Obtain updated "Listing Maps," schematics, pricing, and merchandising plans. Analyze syndicated data (Nielsen), shipment trends, and marketing spending. What has been achieved since your last visit?

### 4. Serve as Category Expert

Distributors appreciate brand owners that share category expertise. What are the global and regional trends for your category? Any product innovation from your company or competition? Are there success stories from other markets or common retailers that you can share?

### 5. Store Checks: First Priority

I am a big advocate of checking stores as soon as I get to the market, before formal office meetings. This allows me to capture the rhythm of the

market, category and my own brand performance in advance of philosophical meetings that may ignore "Retail Reality." Request that the retail sales manager accompany you to secure his "pulse" of the market. Visit stores in different parts of town. Always use the retailer's schematic as the "official" record. Beware of stores that look "too good to be true."

### 6. Build Relationships with Entire Team

Frequently our visit is concentrated on meetings with the brand manager and a 15 minute chat with the distributor CEO. Visit the distributor's warehouse at least once per year. Actual warehouse inventory supplies an accurate snapshot of their entire business. Schedule time with the finance manager. Better to get to know him in advance of the inevitable problem. Treat the administrative team to a casual lunch to say thanks. We know who keeps the ship running! Invite the Distributor owner or MD to dinner. The best business insights are obtained after 9:00 pm.

### 7. Customer Visits

Schedule an annual business review or participate in a new product launch to serve as a category "expert." Volunteer to try to solve problems, but avoid situations where the buyer tries to extort money from you. Meet with other people at the retailer beyond your buyer. Most retailers have Marketing, Merchandising, Internet Sales, and Supply Chain managers interested in sharing insights with overseas suppliers.

### 8. Brainstorm New Ideas

Allocate some time to think about new ways to achieve your business results. Too many times we get in the repetitive rut of offering the same programs year after year. What ideas have worked in other markets or for other brands that the distributor represents? Co-promotion ideas? Charity tie in? How can we generate positive social media buzz?

### 9. Distributor Love

See our article titled, "Getting a Distributor to Love Your Brand." Each market visit is a valuable opportunity to cultivate a powerful relationship. We want the distributor to maintain our priorities as "top of mind" after we are dropped off at the airport to return home.

### 10. Trip Report – Thanks

The best trip reports are the ones that are written on the plane ride home when all issues are still fresh. Say thanks and send a balanced report of achievements and opportunities. Remember that all accomplishments and problems are a joint responsibility of both the brand owner and distributor. A detailed report with clear and measurable next steps serves as the official benchmark for your next trip!

See you in the airport!



## *Export Manager Report Card*

Assessment Criteria	Considerations	Rating: (10 = Best)
Annual Plan Development, Execution, Delivery	<ul style="list-style-type: none"> <li>• Aligned, reliable, committed</li> </ul>	
Export Experience – Food/Consumer Products	<ul style="list-style-type: none"> <li>• New to 20 years +</li> </ul>	
Ability to Influence Distributors	<ul style="list-style-type: none"> <li>• Focus on your priorities</li> </ul>	
Pioneers New Business	<ul style="list-style-type: none"> <li>• From concept to containers</li> </ul>	
Work Ethic	<ul style="list-style-type: none"> <li>• Office time vs. overseas trips?</li> </ul>	
International Citizenship	<ul style="list-style-type: none"> <li>• Language skills, cultural alignment</li> </ul>	
Category Knowledge	<ul style="list-style-type: none"> <li>• Viewed as expert: buyers, distributors</li> </ul>	
Business Leadership	<ul style="list-style-type: none"> <li>• Partners with internal functions</li> </ul>	
Distributor Relationships	<ul style="list-style-type: none"> <li>• From sales reps. to owner</li> </ul>	
Thought Leadership	<ul style="list-style-type: none"> <li>• Creates and shares best practices</li> </ul>	
Export Strategy	<ul style="list-style-type: none"> <li>• Logical vision and road map</li> </ul>	
Profitable, Sustainable, Exports	<ul style="list-style-type: none"> <li>• Sells profitable cases</li> </ul>	
Retail Store Conditions	<ul style="list-style-type: none"> <li>• Brand presence vs. market share?</li> </ul>	
Brand Building – Promotions	<ul style="list-style-type: none"> <li>• Creativity, effectiveness, efficiency</li> </ul>	
Problem Solving – Response Time	<ul style="list-style-type: none"> <li>• Same day to one week?</li> </ul>	
Customer Relations	<ul style="list-style-type: none"> <li>• Senior access at top retailers</li> </ul>	
Analytical Skills: Shipments, Nielsen	<ul style="list-style-type: none"> <li>• Trends, opportunities, plan</li> </ul>	
Digital Savvy	<ul style="list-style-type: none"> <li>• E-commerce, social media</li> </ul>	
Supply Chain Management & Forecasting	<ul style="list-style-type: none"> <li>• Accuracy and efficiency</li> </ul>	
Results vs Budget, Market, Category (CY, PY, 3 Years)	<ul style="list-style-type: none"> <li>• Flat to 10% +</li> </ul>	

## What Distributors Want to Know ?

Strong distributors are overwhelmed by calls from brand owners looking for new partners. Distributors assess each opportunity carefully, as any new brand must add incremental sales and profits and not distract from priorities from existing brands handled.

What is the “size of the prize” for the distributor?

Assessment Criteria	Facts	Rating (10 = Best)
Your company: size/ reputation		
Existing business: sales in distributors country?		
If zero “current sales,” what is realistic expectation?		
Brand’s USP...your point of difference/innovation?		
Size of investment plan: Marketing and Trade?		
Potential distributor revenues? margin?		
How does the product taste? (or perform)		
How attractive/compliant is the packaging?		
Pricing relative to category?		
Brand success story in an adjacent country?		
Competition intensity in category?		
Brand range complexity? Product shelf life?		
Local market research? Syndicated data?		
Will brand invest in marketing and social media?		
Will this be a tough product to launch?		
Can we grow with the brand owner?		
Your brand: core distributor category or adjacency?		
Will the export manager be good to work with?		
Will we be proud/excited to represent this brand?		
What is the “size of the prize?”		



## Fifteen Tips: Achieve Preferred Supplier Status

A natural goal is to achieve “Preferred Supplier Status” with retailers and your distributors. Satisfied trading partners generate superior results. “Vendor of the Year” does not mean “Spender of the Year.” Listed below are 15 tips to be viewed as a Preferred Supplier with your distributors and retail customers.

### 1. Invest in Brand Support

Marketing activities drive incremental sales and cultivate the health of your brand and category. Supplier investments in consumer awareness and retailer development activities help everyone achieve their sales objectives.

### 2. Innovate, Innovate, Innovate

The CPG/FMCG industry is fast paced, with frequent new product introductions. Companies which invest in research to deliver new product ideas out-perform and lead the category.

### 3. Keep the Supply Chain Filled

Short shipments cause a chain reaction of problems throughout the supply chain. Seek to attain a 98% case fill rate or better.

### 4. Distributors Need to Make Money Too!

Retailers, Manufacturers, and Distributors seek to achieve a reasonable profit. Distributors ( Importers/Brokers) are often “squeezed” as middlemen. Distributor Margin reductions translate to cutbacks in sales personnel, customer service, investments in technology, and ultimately impact results for your brand. A financially healthy distributor is a productive partner.

### 5. Focus on Priorities versus Minutiae

All partners are guilty of getting absorbed in the details of the business. Maintain attention on the key elements which drive business success. Minimize “non-essential” reports.

### 6. Serve as Category Expert

It’s a challenge for Retailer buyers and distributors to master all the categories. Preferred suppliers provide fresh and unbiased insights into category trends, product development, and analysis of category data.

### 7. Visit the Market, But not Too Often

Distributors and Retailers welcome your periodic visits. Insights on market development and problem solving “face

to face” are invaluable. On the other, you need to provide distributors the time and freedom to build the business without distraction of preparation and management of frequent supplier market visits.

### 8. Calibrate Time Commitment to Compensation

A first step is to evaluate what your brand represents to a distributor ( or retailer) in terms of annual revenue/profit contribution. Reflect on the activities requested to service your business in relation to your contribution.

### 9. Keep Your Commitments

Preferred suppliers are viewed as trusted partners. Reliable suppliers secure more than their fair share of retailer and distributor focus. Last minute cutbacks in marketing support are sometimes necessary, but damage your credibility.

### 10. Respond to Local Ideas

Distributors and Retailers know their markets. Give them the support they request on a new promotion idea or sales campaign. Let them build ownership of an idea and the ultimate results. Good ideas will build credibility and sales.

### 11. Pay Bill-backs on a Timely Basis

Many distributors are small businesses with tight cash flow. It is always positive to be viewed as a “Prompt Payer” of legitimate invoices.

### 12. Support Distributor with Corporate Headquarters

Many companies enjoy long term relationships with their distributor network. The Distributor depends on you to serve as their advocate with senior management of your company. Fight for



their ideas and defend their business performance, where appropriate. Remember that all organizations experience a mix of “good years and bad years.”

### 13. Share Best Practices

Industry participants are all “students of the game” and are generally open to learning about strategies from other markets/retailers. On the other hand, we must recognize that all markets have subtle differences and not all approaches are transferable.

### 14. Provide Proper Lead Time to Achieve Desired Results

The consumer goods industry is relatively organized with established protocols and timelines. Exceptions can be made in case of product recall or breakthrough innovation. Everything functions better when timelines are adhered to.

### 15. Recognize Achievement

Take the time to say “Thanks” or “Well done.” This acknowledgement may be in the form of a personal note, phone call, or public recognition.

## Preferred Supplier Scorecard

Distributors deliver their best results for their favorite principals. How do you rank?

Supplier Assessment	Considerations	Rating: (10 = Best)
Annual Sales Revenue	<ul style="list-style-type: none"> <li>• Percent of total distributor sales</li> </ul>	
Annual Profit Generated (\$)	<ul style="list-style-type: none"> <li>• Net sales times gross margin</li> </ul>	
Years of Service	<ul style="list-style-type: none"> <li>• New to 20 years or more</li> </ul>	
Compound Annual Growth Rate	<ul style="list-style-type: none"> <li>• Flat to 10% or more</li> </ul>	
Supplier Investment Level	<ul style="list-style-type: none"> <li>• Zero to 25% of sales</li> </ul>	
Celebrates Success	<ul style="list-style-type: none"> <li>• Awards, dinner, thank you notes</li> </ul>	
Shares Best Practices	<ul style="list-style-type: none"> <li>• Serves as category expert</li> </ul>	
Logistics Service Level	<ul style="list-style-type: none"> <li>• Target 98% on time, complete orders</li> </ul>	
Visits Retail Stores	<ul style="list-style-type: none"> <li>• Never to full day every visit</li> </ul>	
Reimbursement of Billbacks	<ul style="list-style-type: none"> <li>• 2 weeks to 3 months</li> </ul>	
Senior Management Relationship	<ul style="list-style-type: none"> <li>• None to long term partners</li> </ul>	
Export Manager Experience	<ul style="list-style-type: none"> <li>• New hire to 10 years or more</li> </ul>	
Response Time	<ul style="list-style-type: none"> <li>• Same day to one month</li> </ul>	
Supports Distributor's Ideas	<ul style="list-style-type: none"> <li>• Invests in local ideas</li> </ul>	
Good on Customer Calls	<ul style="list-style-type: none"> <li>• Avoids calls to customer favorite</li> </ul>	
Admin Requirements	<ul style="list-style-type: none"> <li>• Orders only to multiple reports</li> </ul>	
Supplier Visit Frequency	<ul style="list-style-type: none"> <li>• Never to weekly</li> </ul>	
Relationship: Entire Team	<ul style="list-style-type: none"> <li>• Finance, logistics, administration</li> </ul>	
Respects Fair Profit for Distributor	<ul style="list-style-type: none"> <li>• Healthy distributor is profitable</li> </ul>	
Achieves Joint Business Targets	<ul style="list-style-type: none"> <li>• Creates culture of success</li> </ul>	

## Does Your Distributor Network Need A Check Up?



Exporters manage distributor networks extending to 20, 50, 70 countries or more!

Every company has a few distributors that under perform.

“Under achievers” prevent us from attaining our personal objectives.

### Distributor Network Check Up

- Independent assessment from Export Solutions
- Establish methodology for ranking Best in Class distributors and “Laggards”
- Supply strategies for recognizing top distributors and upgrading the bottom performers
- Benchmark external brands from your category
- Practical and “action oriented” approach

### Export Solutions Can Help!

- Distributor Network Assessments
- Motivational Speeches
- International Strategy
- Find Distributors in 96 Countries



**Export Solutions**  
Global Experts, Local Solutions

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## Distributor Market Review

Criteria	Rating	Evaluation Factors
<b>Shipment Results</b>		Overall growth for our industry in your market? Distributor company wide sales performance (all brands)? Distributor sales results for my brand? Change vs. benchmarks?
<b>Brand Performance</b>		Key brand performance versus overall category. Shipment growth, market share, weighted distribution. New item success.
<b>Key Account Results</b>		Results at top 3-5 accounts (or channels). Improvements: new items, shelf presence, merchandising. Are we getting "fair share" of retailers growth?
<b>What Worked?</b>		Strategies or performance that achieved results. Ideas that delivered incremental sales.
<b>Key Issues?</b>		Problems or barriers to achieving results. Pricing, investment, competition.
<b>People</b>		Performance by key people touching our business. Organizational changes? Who made a difference?
<b>Financial</b>		Distributor's financial health. Planned investments. Efficiency opportunities in Partnership.
<b>2020 Requirements</b>		Resources required to achieve 2020 shipment expectations. Critical activities, timelines, changes to structure/plan.

### Greg's Ten Tips

1. Good news travels fast and bad news travels slowly
2. If you want to know what's really going on, spend a day visiting stores
3. Pick up the phone and call a friend or business partner versus email
4. Be positive. Think, "why not?"
5. Results are directly proportionate to your investment: Marketing, People, Focus, Time
6. A distributor (or Broker) "respects" what the Brand owner "inspects"
7. Shipment numbers rarely lie
8. Put it in writing
9. If two people agree on the principle of a deal, you can usually work out the financial terms
10. There is more in common with industry practices across the globe than differences. Brand owners everywhere desire more shelf presence and retailers demand more discounts. Recognize the differences, but focus on the universal requirement for superior products, marketed at a fair price.

## Ten Tips – Increased Distributor Focus on Your Brands

### 1. Quarterly MBO Meeting with Distributor Senior Management

One of the most effective tools for increased focus is to create a regular process for Distributor senior management engagement in your business. The Management By Objective (MBO) system (or similar approaches) allows you to meet quarterly on a pre-planned schedule to review past quarter performance on key initiatives and firm up plans and commitment for the new quarter. Discussions should focus on key business metrics and account specific results. Meetings can be held via teleconference if you can not visit personally 4 times per year.

### 2. International Distributor Network Conference

This can include all your global distributors or those from a specific continent/region. Program can be 1-2 days in length and can include Corporate Business Review, New Product Roll-Out, and requirement that each distributor give a presentation on a success story from their home market. Meeting location can tie in with a major trade fair such as SIAL or FMI to reduce expenses. Alternatively, the meeting can also be in a resort location to serve as an incentive. Export Solutions is available as a conference meeting speaker to discuss a variety of distributor optimization strategies and retail trends.

### 3. Sales Contests

Sales contests bring energy, excitement, and focus to your brands. Sales contests should be about six weeks in duration and offer the opportunity for “everyone” to win. Prizes can range from cash incentives to trips to merchandise for the winners. Sync contest objectives and measures to your key initiatives for your peak season or a new product launch.

### 4. Key Account Business Reviews

It is appropriate to conduct key account business reviews with each of the distributor’s top 3-5 accounts once per year. Meetings should include senior level management of the retailer. This strategy requires distributor analysis of the accounts business and opportunities for mutual growth. This also provides you with an avenue to develop a personal relationship with local customers.

### 5. Retail Audit

Retail execution is critical to the success of any brand initiative. An important element in a new product launch or preparation for your peak selling season is the pre-scheduled Retail Audit across a market. The Manufacturer would bring 2 or 3 people from their company and match them with distributor personnel for a day in the field checking retail conditions. In one day, the 2-3 teams can see 30-50 stores in the market to judge the markets “readiness” and progress. Distributor personnel are competitive and will work hard to make the market “look good” for the Retail Audit.

### 6. Plant Visit

Invite your distributors for a plant visit and/or a trip to your corporate headquarters. Distributor can be introduced to members of your senior management team. Distributors should be encouraged to bring a large customer as well. This type of trip can serve as a “bonding” experience and create a renewed sense of commitment to your business .

### 7. Bonus Payment

Incentive pay for performance usually works well with sales teams. Sync bonus with your key objectives. Reward performance on achievement of retail distribution, profitability, as well as sales volume objectives. Volume based objectives alone may encourage questionable shipments that could be diverted.

### 8. Distributor Sales Meeting Participation

Most distributors schedule monthly or quarterly meetings for their entire sales team. This is a primary format for the distributor to communicate direction and priorities. Most distributors allow their manufacturers to make a presentation on a new item or key sales drive. Supplement your meeting presentation with a small gift for all meeting participants such as a pen, key chain, or calculator with your company logo.

### 9. CEO Market Visit

Distributors appreciate a visit from your CEO or other member of your senior management team (CFO, VP International etc.). This gives them the opportunity to demonstrate their results and share their input on the markets development. It is magical to watch certain market issues get “solved” immediately prior to a senior management visit !

### 10. Share Best Practices

Create a process for sharing best practices and success stories within your global distributor network. These can be communicated via a monthly newsletter or email. Distributors are proud to share their achievements or innovative new strategies that they are using to build their business. Manufacturers may elect to reward distributors with the “best success story” each month with a “free dinner” or other incentive.



## Distributor Capability Assessment

Export Solutions established 15 assessment criteria to identify “Best in Class” performers as well as “under achievers.” Many distributor relationships extend 10 years or more. Is your distributor network still a “good fit” for your current business requirements? Template can also be used as New Distributor Reference Check form.

Assessment Criteria	Rating: (10 = Best)
Category Expertise/Critical Mass	
Focus/Time Dedicated to your Business	
Joint Business Plan Development, Execution, Delivery	
Alignment with Brand Owners Vision. Relationship.	
Cost to Serve (fair margin, extra costs)	
Assortment/Shelf Space	
Promotion Creativity, Effectiveness, and Efficiency	
Key Account Relations (Senior level, buyer)	
Leadership/Owner (engaged & committed to us?)	
Brand Manager (seniority, clout,creativity)	
Multi Channel, Multi Regional Coverage	
Financial Stability, Payment Record	
Supply Chain Management & Forecasting	
Problem Solving: rapid response?	
Sales Results versus Budget, Market, Category (CY, PY, 3 Years)	

**NEW!**

## Retailer Search Made Simple Canada Example

Search By Country, Format, or Keyword. Keyword may include Retailer name. Like what you see? [Click here](#) to purchase current retailer lists.

Continent: USA & Canada Country: Canada Format: All Formats

Keywords:

78 Listings Page 1 of 2 Next >> Go To Page: 1 2

Country	Retailer	Store Count	Formats	Profile	News	Financial
Canada	7 Eleven					
Canada	Loblaws	2,300	Drug Store, E-Commerce, Hypermarket, Supermarket, Wholesale			
Canada	Costco	95	Cash & Carry/Club, E-Commerce			
Canada	Federated Coop	290	Convenience, Supermarket, Wholesale			
Canada	Fortinos	23	Supermarket			

### Search by Country

Coverage: 96 countries and 2,500 retailers

### Search By Format

- Supermarket
- Convenience
- Drug Store
- Natural Food
- Club, Cash & Carry

### Search by Retailer Name

Supplying profiles, store counts, formats, news and info for Top 100 international retailers plus all overseas branches

### Combo Search

Example 1: Who are supermarket retailers in Canada?

Example 2: How many stores does Loblaws operate by banner, in Canada?

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## FAQ's – Retailer Database

### Why did you create the retailer database?

Export managers dedicate a lot of time to researching countries, retailers and preparing business plans. A standard KPI measure is tracking product listings for key customers. I believe that our industry could benefit from a global retailer database to instantly locate retailers and their store counts in 96 countries. The retailer database is a logical extension of our leading distributor database which has helped more than 3,000 companies build export sales during the last 10 years.

### What is your geographic coverage?

96 of top 100 GDP countries worldwide. This includes most Asian, Middle Eastern, and European countries. Our database covers every country in the Americas. In Africa, we cover South Africa.

### What is your format coverage?

Excellent coverage of chain supermarkets, hypermarkets, clubs, cash and carry, and convenience formats. Solid initial coverage of drug stores, natural food stores, and e-commerce channels. Our database does not cover DIY/hardware, toy, office, liquor, or sporting goods channels.

### Retailer database: featured info

**Profile** – Retailers profile and link to their internet home page.

**Formats** – Retailer's stores segmented by format and banner.

We track supermarkets, hypermarkets, cash and carry, convenience stores, discounters, drug stores, natural food stores, and e-commerce retailers.

**News** – Latest retailers' news. In some cases (Asia), we substitute a link to the retailer's latest promotional flyer.

**Financial** – Many leading retailers are publicly traded. A link is provided to their latest financial results. We do not offer estimated financial information for privately held or family owned retailers.

### How is your coverage of global retailers?

We offer total coverage for top 100 global retailers. This includes all of their branches and banners. Searchable! Use filters to research Walmart, Costco, Carrefour, Tesco, Metro, Casino presence by country. Database covers retailer's total store outlets as well as a breakout by banner and format.



### What can I use the retailer database info for?

- Obtain an instant snapshot of an average of 23 retailers per country for 96 countries.
- Track presence of global retailers like Walmart, Carrefour, and Metro AG.
- Create country specific listing maps where distributors measure brand authorization by retailer.
- Conduct home office based international category reviews and price checks from retailers' e-commerce sites (not all retailers).
- Prepare annual reviews and reports with up-to-date information on leading retailers and channels.

### Searchable

The database offers filters allowing you to search by country, format, or retailer name. You can also use a combination of filters for your research.

### Can I get a free sample of the retailer database?

Sure! Check [www.exportsolutions.com](http://www.exportsolutions.com) for a complete profile of United Kingdom retailers.

### Do you provide retailer's annual sales or market share information?

Accurate annual sales information is available through the financial link for publicly traded companies. We do not provide estimated financial information for privately held and family owned retailers. Channel blurring occurs between supermarket, convenience, e-commerce, and even natural food operators. We do not provide market share due to difficulty to accurately isolate and define channel market share information, particularly with so many privately held retailers.

### How accurate is the retailer data?

Export Solutions' retailer database is updated weekly, so information is highly accurate. Retailer names, web sites, and formats rarely change. This makes the database 99% accurate at the company level. New stores open every day, resulting in store counts that may be 95% accurate. We intend to update store counts on a regular basis.

### How much does retailer database access cost?

An annual subscription to the retailer database is \$975. This supplies one year, unlimited access to more than 2,500 retailers in 96 countries. Special offers available for our distributor database customers. Note: special pricing for government trade organizations.

### How do I access the retailer database?

Visit [www.exportsolutions.com](http://www.exportsolutions.com) and click the retailer database page. You can place a subscription or individual continent (i.e. Europe) into a shopping cart. Register and check out via credit card. The process takes two minutes and we automatically send you an invoice.

### About Export Solutions

Export Solutions was founded in 2004 and is based in Atlanta, Georgia in the USA. Export Solutions serves as a leading provider of business intelligence to the food and consumer goods industries. Our distributor database covers 8,600 distributors in 96 countries and has been used by more than 3,000 clients. Our *Export Express* newsletter has a circulation of 8,700 and is viewed as an important source of insights, strategies, and templates for international development. [www.exportsolutions.com](http://www.exportsolutions.com).

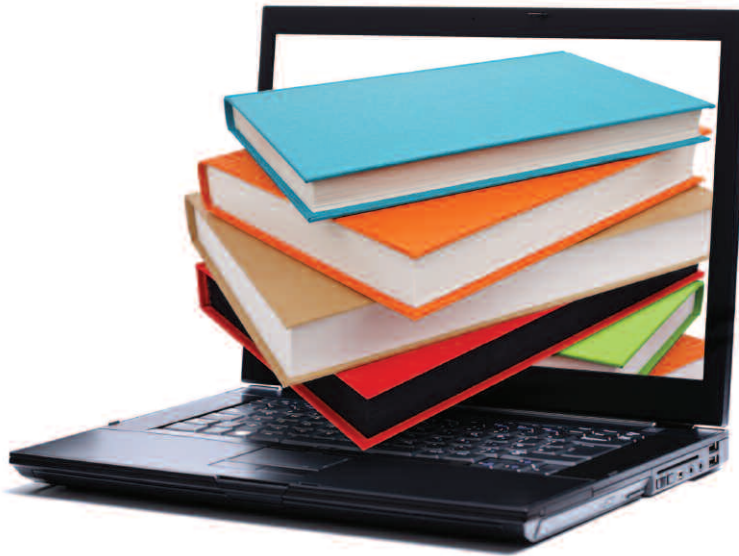


## *Year One Scorecard Example*

Brand owners and distributors enter new relationships with great expectations. Most partnerships succeed, but some under deliver leaving both parties disappointed. Export Solutions Year One scorecard helps both parties align on KPI's.

<b>Objective</b>	<b>Goal</b>	<b>Results</b>
Shipments to Distributor		
Distributor Sales to Customers		
Top 5 Customers		
Region: Sales Split by Area		
Channel: Sales Split by Channel		
Market Share		
Listings: Top 5 Customers		
Retail Pricing		
Shelf Positioning		
Shelf Space		
Sampling		
Social Media		
Displays		
Manufacturer Investment		
Brand Manager Performance		

# 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](http://www.exportsolutions.com).**



**Export Solutions**  
Distributor Identification Experts

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[greg@exportsolutions.com](mailto:greg@exportsolutions.com)**



## “Best in Class” Distributor Standards

Is your distributor (or importer) network “Best in Class”? Alignment with a strong partner will deliver superior results for your brand. Export Solutions evaluates and analyzes hundreds of distributors per year. Frequently, our point of view is requested to establish criteria for selecting the best distributor candidate for a brand owner. Recapped below are points for consideration for evaluation of your existing distributors or potential new partners.

### Size Counts!

Critical mass translates to the ability to offer broader services and deeper sales coverage at a competitive rate. Retailers are dependent on large distributors, creating a “two way” street on tough negotiations. Larger distributors leverage their scale to obtain benefits for the niche brands in their portfolio. In times of financial turbulence, larger distributors get paid first. Bigger is not always better, particularly if you are a small brand. An important metric is distributor rank in terms of sales revenue to key retail customers within your category.

### Countrywide Coverage

All distributors normally feature good presence and contacts with major retailers and stores within the capital city. Best in class distributors offer superior coverage countrywide. Look for distributors that maintain sales offices and warehouses outside the capital city. Request a map pinpointing where the distributor’s field sales people are based. Typically, the major cities represent only 50 % of a country’s volume. An opportunity exists for best in class teams to obtain higher brand development outside the major cities where second tier brands do not have coverage.

### Information Technology – Reporting

The sophistication of a distributor’s information technology platform creates a statement regarding the distributor’s commitment to future growth. Best in Class distributors offer online portals where their suppliers can log in to view sales trends, inventory levels, invoice status, and results versus key sales

initiatives in “real time.” Leading distributors supply their field sales teams with handheld computers to transmit time sensitive information on orders, pricing, in store conditions, and competitive activity. Other key areas for evaluation include a distributor’s supply chain management software, ability to handle multiple EDI transaction sets, as well as data security and back-up plans.

### People – Multinational Expertise

Many distributors trace their origins to family run operations. The most successful entrepreneurs recognize the necessity to bring in professionally trained talent to bring their organization to the next level. Best in class distributors hire executives with experience with strong companies such as Procter & Gamble, Nestle, & Unilever to manage key departments. Progressive distributors incent these senior executives with a route to gain ownership shares in return for their services.



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**8,600 Consumer Products**

**Distributors**

**Free Sample Country List**

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## “Best in Class” Distributor Standards

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### Multi-Channel Focus

Global brands source sales from multiple trade channels: convenience, food-service, discount, pharmacy, cash and carry, natural, gourmet, and wholesale in addition to traditional supermarkets and hypermarkets. Best in Class sales teams offer coverage of all trade channels and deploy dedicated specialists with channel specific expertise. Similarly, small shops still represent 50% or more of food sales volume in Latin America, Asia, and the Middle East. Leading teams feature focused programs for reaching “down the trade” retail outlets.

### Marketing Department – Creative Ideas

Is the Distributors owner the “marketing” department as well? Your primary point of contact at the distributor has the greatest ability to impact brand results and influence the distributor’s organization to achieve your priorities.

Strong distributors establish full- fledged marketing departments with experienced university graduates filling key roles. Successful marketing managers bring new ideas to your business and adapt your brands marketing message to the local market. Look for an energetic marketing team that adds value and creativity and avoids the mistake of simply passing through your standard presentation and plan.

### Brand Presence at Point of Sale

The retail store is a showcase for our brands. Best in class field sales teams “own the store” and can obtain more than “fair share” of shelf space for the brands they represent.

Are your brands at eye level, with share of space in excess of their market share? Or are your brands buried on the bottom shelf, with only one facing per item? Strong distributors maintain excellent store level coverage to insure fundamental focus on correcting out of stocks, price tag placement, correct pricing, off shelf display, point of sale placement etc. Speed to shelf timing on new products is another key metric to evaluate distributors. Always request the retailer’s official schematic (layout) to measure the authorized shelf space and positioning for your brand.

### Financial: Cost to Serve

The last 12 months reinforced the priority to be aligned with a financially solid partner. Savvy manufacturers are requesting new credit information and running Dun & Bradstreet reports on all distributors in all markets to preempt the difficult situations that transpired in other countries. Best in Class Distributors offer competitive margins and provide ideas to generate cost savings in your mutual business. The best distributors pay on time, promptly submit promotional reimbursement requests, maintain good financial tracking systems, and secure reasonable payment terms from retailers.



### Logistics: Service Level 98% +

Logistics represents a core component of a distributors service offering. Advanced distributors promise 24 – 48 hour delivery countrywide and maintain sophisticated inventory replenishment systems. In large countries, look for distributor warehouses outside the capital city. In some instances, distributors may outsource logistics operations to another third party special-izing in logistics only. This strategy normally works well as long as the logistics company delivers excellent service without incremental costs. Remember, most distributors were founded as sales and marketing special-ists that provide logistics services to satisfy the needs of their brand owners. My opinion is that the distributor dedi-cates more focus to brand building if the distributor can find another company to effectively manage logistics. The key metric is 98% + service level and minimum out of stocks at store level.

### Results

Best in Class distributors ( large or small) deliver results in excess of total market and category growth year after year. The best way to measure topline distributor performance is to compare total retailer growth and total category growth (excluding your brand) with your brands performance in a country or at a retailer. Are you getting your fair share of growth? Best in Class suppliers recognize that there are substantial costs in investing and developing a best in class team. Suppliers must recognize that distributors are also in the business to make a reasonable profit. The “Best in Class” relationship allows both parties to grow and prosper from a sales and profitability standpoint.

## *Is Your Distributor Best In Class?*

	<b>Best in Class Distributor</b>	<b>Average Distributor</b>
<b>Size</b>	Top 10 Supplier to Retailers.	Top 100 Supplier to Retailers.
<b>Coverage</b>	Countrywide. Offices outside Capital.	Major retailers only.
<b>Technology</b>	EDI, Web Portal, Handhelds for sales reps.	Basic desktop capabilities.
<b>Talent</b>	Management: Multi-national expertise.	“Home grown” talent.
<b>Channel</b>	Covers all channels and small shops.	Major retailers only.
<b>Marketing</b>	Full Brand Management services.	Trade promotion only.
<b>Retail Presence</b>	Dominant presence at retail for distributors brands.	Mixed presence at point of sale.
<b>Cost to Serve</b>	Competitive, transparent model.	Average cost to serve.
<b>Logistics</b>	Multiple warehouses. 24 hour delivery.	1 warehouse, 48 hour delivery.
<b>Results</b>	Results exceed market growth.	Results = market growth.

## Ten Tips: Getting Better Results with Big Distributors

I admit it: I like big distributors. They feature more critical mass which allows them to invest in people and technology. Retailers and large distributors are “co-dependent,” leveling the playing field. Also, big distributors get paid first during financial crisis and usually offer better multi-channel coverage and retail services. However, many small/mid-size brands feel lost at a big distributors, securing mediocre results and failing to access the massive distributor’s resources. Listed below are Export Solutions Ten Tips for “Getting Better Results with Big Distributors.”

### 1. Develop a Personal Relationship With Your Distributor’s CEO

Call him a few times per year. Invite him to dinner or a high profile sporting event when you are in town. Send him a good business book. Stay top of mind.

### 2. Focus on 2-3 Priorities

Provide a limited number of specific, measurable objectives that are critical to the delivery of your annual business plan. Many companies bombard their partners with a myriad of priorities, forms, and requests diluting focus. Instead position communication, reporting, and activities in context of the 2-3 tasks that must happen.

### 3. Invest in Distributor Sponsored Events

Large distributors offer the possibility of co-promotion with their other brands. Frequently, a mid-size brand may be able to gain promotional activity at a reduced cost due to the scale of their distributor partner.

### 4. Evaluate Your Distributor Brand Manager

Your distributor brand manager is your primary point of contact. If your business is not growing, this could signal a need for a change in brand manager. Two scenarios exist. In some cases, you may have a senior brand manager with too many brands and no time for you. In these cases, it may be better to shift to a junior brand manager with more bandwidth. In other cases, your contact may be too junior, with limited organizational clout to get things done. In this example, you may fare better by changing to a more veteran brand manager.



### 5. Spend Time With the Field Representatives

I am an advocate of escaping distributor conference rooms for the hustle of the stores. Spend time with the sales representatives visiting their customers and stores. The field team is frequently ignored by export managers, but serves as the engine of the distributor. Take them to lunch, listen to their problems, understand their business, give them a gift with your company logo and they will be your dedicated warriors for life.

### 6. CEO Market Visit

Invite your CEO or other senior executives to visit the market. Distributor CEO’s love to “rub elbows” and solve the world’s problems together. You’d be surprised at the number of market issues that will disappear in advance of your CEO visit. It’s also a good idea to invite your technical experts in information technology or supply chain to visit. Big distributors love to learn best practices from their overseas suppliers.

### 7. Create a Distributor Advisory Council

Invite a select group of large distributor CEO’s to advise your company on international development. Meet twice per year a year, with at least one event at a resort location. This allows your large distributors to build relationships with your senior team in an intimate setting. All members of your Distributor Advisory Council will achieve their annual objectives!

### 8. Sales Contest

Create some excitement with a sales contest for the entire distributor team. Make it fun and structure it to maximize winners. Find a way to include all the “non-sales” people if you can.

### 9. VIP Visit to Corporate Headquarters

Treat your distributor as a VIP at your corporate office. This trip creates a memorable bonding experience and a chance for you to serve as a good host. Take the distributor to a new product development laboratory and organize a meal with your CEO or executive officers. Make him feel like a member of the family.

### 10. Distributor Awards

Recognize your high performing distributors with an award. This could be Distributor of the Year or for achieving \$1 million in sales or for 15 years of partnership. Some companies sponsor smaller awards for key account manager of the year in each market and retail representative of the year. Publicize the event by awarding a plaque, hold an awards luncheon, take photos and share a press release of the celebration.

In most cases, large distributors have achieved scale through years of hard work and success. Most suppliers maintain a mix of large and smaller distributors. Veteran export managers will confirm that good results are possible with distributor organizations of any size. The key is to align yourself with a committed partner who loves your brand and is delivering shipment growth consistent with overall market trends.

## Distributor Performance: 20/20 Business Analysis

The start of a new year is an appropriate time to review distributor performance. This process starts with the evaluation of the usual metrics such as shipment results, market share, and success delivering new item placement. Normally, distributor performance ranges across the spectrum from outstanding results delivered by top distributors to under-achievers who fail to meet their shipment budget. Each scenario warrants a different approach in terms of managing for the future.

<b>Distributor Segmentation</b>		
	<b>Results</b>	<b>Next Steps</b>
<b>Leaders</b> 20% of total	Shipment increase of 10% or more. Growing Market Share. Innovative Strategies.	Recognition: Public & Financial. Invest in team generated ideas. Share learning with other markets.
<b>Performers</b> 60% of total	Shipments + 5% and in-line with overall market growth. Consistent results over many years.	Support current growth trajectory. Challenge to reach "Leader" status.
<b>Laggards</b> 20% of total	Flat/declining shipments. Poor results for 2+ years. Low energy/innovation.	Probation status for existing partner. Evaluate different representation options. All markets have alternatives!

### Distributor Segmentation Analysis

A valuable exercise is to segment your existing distributors into the three groups: Leaders, Performers, and Laggards. Look at the organizational models of your "Leaders" and Laggards." Are there consistent threads between the business specialization of your distributor network? For example, do you find that your "Leaders" are all Large Distributors (versus small), Big Brand Distributors (vs. niche), Category/Ethnic specialists (vs. all types of Food), technologically savvy versus "old school"? A similar analysis should cover your "Laggard" distributors. Are under performers small organizations that fail to meet your requirements? Or alternatively, large distributors where your brand is too small to gain sufficient attention? Your analysis may reveal that one type of model works well for large or adjacent countries while another approach works best for smaller or remote countries. Look for the trends!

### Lessons Learned

Completing the distributor segmentation exercise described above should yield some important conclusions on the best partner models to pursue for your brand. For example, an Italian manufacturer of candy may confirm that his best performing distributors are international confectionery experts, versus distributors specializing only in Italian products. On the other hand, an ethnic Asian food producer may find that the best candidates to represent his brand are Asian channel specialists versus distributors that represent all types of fine food categories such as Tea & Olive Oil.

### Next Steps

Honor your leaders and drive them to higher levels. Recognition such as Distributor of the Year, visits with your company CEO, or requests to deliver a presentation on their "success story" are inexpensive motivators. "Laggards" impact our own ability to achieve our personal objectives. We often like the people who work at "Laggards", but at times, you must act to protect the long term interests of your company and pursue a change in distributors. It is important to recognize that all companies have distributors that are "Leaders" and "Laggards." Proactive attention to fix the "Laggards" will only improve your results versus suffering through another year with a poor performing partner.

### Export Solutions Can Help

Our industry leading database has been used by more than 2,700 brands to locate partners in 96 countries. This includes an average of 79 unique distributors per country. There are always many alternatives to consider in every country when you have access to the Export Solutions database.

Export Solutions serves as a consultant to European and American brands of all sizes. Our work includes analysis of distributor networks and development of strategies for motivating, measuring, and rewarding distributors. Export Solutions has helped companies identify, interview, and sign distributors on every continent. Contact Greg Seminara at [gseminara@exportsolutions.com](mailto:gseminara@exportsolutions.com) to discuss your project. Our motto is "Spend time Selling to Distributors vs. Searching for Distributors."

# Can We Help You?

## Distributor Search Helper for:



Your  
Logo  
Here



Procter & Gamble



## Recent Distributor Search Projects

Asia	Europe	Middle East	Latin America
Australia	Germany	Israel	Argentina
China	Ireland	Kuwait	Brazil
Indonesia	Netherlands	Qatar	Colombia
Japan	Nordics	Saudi Arabia	Costa Rica
Malaysia	Spain	UAE	Ecuador
Philippines	United Kingdom		Mexico
Singapore		Canada	Panama
South Korea	South Africa	United States	Peru



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to discuss your business development project.

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## Ten Tips: Converting Promising Leads to New Partnerships

Have you ever experienced an incredible first meeting with a distributor? Strong alignment, good fit, everyone smiling, timelines agreed. Then, nothing happens! The export manager may take up to six months to translate his outlook from “done deal” to “dead deal.” There are two reasons why this occurs.

First, distributors are positive, competitive athletes, always striving to win new business. However, in some cases, the distributors wake up after time to reflect and decide they really weren't that interested in the brand after all. Failure also results when a strong first personal meeting at a trade show or distributor's office is followed by a relationship buried in email communication, with no personal touch. Below are Export Solutions' Ten Tips on converting promising new business leads into tangible business partnerships.

### 1. Call/Skype – Don't Depend on Email

Motivated distributors still return phone calls, but frequently receive up to 200 emails a day, many from existing brand partners. Top distributors' business days are captured by a continuous flow of meetings with customers, principals, and their own employees. Best bet is to call a potential partner or set up Skype meetings. Email is okay for routine correspondence, but too easy to ignore or delete.

### 2. Follow Up Immediately & Frequently

Time slips away, as Export Managers focus on existing businesses and “problems of the day.” One tip is to put regular follow up reminders on your computer calendar.

### 3. Focus on 10 C's: Category Review, Calculation, Cost of Plan, Compliance, Contract, etc.

Described below are critical elements to translate a “lead” into shipments.

**Category Review:** How does your category look in target country? Category size, competition, pricing, margins, and merchandising activity.

**Calculation:** What is the distributor's proposed calculation from your factory gate to the store shelf? What are standard costs like duties and taxes? What are flexible or negotiable like trade discounts and distributor margin?

**Cost of Plan:** Each brand needs a plan to gain market entry. This includes key

account “sell in,” followed by consumer and trade promotion activities. Look at the distributor's proposed plan, as well as several options with different price tags.

**Compliance:** Many countries feature a product registration process and labeling requirements. In some countries, this step is easy with automatic compliance for a USA or European brand. Or a simple solution with a small distributor applied sticker. In other countries like Japan or Indonesia, plan on one year or more to navigate the complex process.

**Contract:** “Ready, Set, Go” can be delayed by 3-6 months due to contract negotiations. Company lawyers demand 20 page agreements in English that even the Brits can't understand. Distributors prefer two page letters of understanding or a handshake deal. Do what is right for your business, but expect delays and frustration.

### 4. Request References

A good idea is to quickly request distributor references from other brands they handle. Motivated distributors will send impressive references right away. Also, have your credit department run a Dun and Bradstreet or Equifax report as soon as possible. Many trade show meetings are with “pretenders” who state exaggerated claims and are ultimately too small to handle your brand. Better to discover this sooner versus later.

### 5. Move Beyond the Distributor Owner/MD

The distributor owner “writes the checks,” but frequently serves as a “bottleneck.” The key is to quickly get your brand assigned to a “worker” whose task is to move your project through the system and produce an order!

### 6. Establish Realistic Timelines

Sync with category review dates and avoid holiday periods. Update timelines frequently. New distributor relationships always take longer. Plan on six months from first meeting to first shipment. Be pleasantly surprised if things move quicker.



### 7. Distributor Response Time Signals Interest Level

How often do you check your emails? Probably every hour. When I work on distributor search projects for well known brands like Pringles, Tabasco, or Barilla, distributor response is lightening fast. Motivated distributors will chase you if they are interested because they are anxious to start selling your brand!

### 8. Establish Regular Checkpoint Calls

I suggest every two weeks at a minimum. Use a common document of priorities, action steps, and due dates.

### 9. Visit the Distributor

It's amazing the amount of progress that will be made during a meeting at the distributor's office. Also, the distributor will work hard in advance of your visit as your project moves up the priority list and they want to guarantee a favorable impression. A visit to the distributor's market signals your commitment. Beware if the distributor is reluctant to schedule your visit. Either he has changed his mind about a partnership or his office and capabilities do not match the bold promises made at the initial trade show meeting.

### 10. Parallel Path Two Candidates per Country

A favorable first meeting represents an excellent start. However, there are still many steps (think 10 C's in point 3) before you sign a contract and receive your first order. Always keep two candidates in the process, in case your top choice disappoints. This can be tough, but represents a better option than needing to start the entire process over again.

## How to Excite Buyers – New Product Checklist

Retail buyers are challenged to maximize profits and sales from every available inch of shelf space. Every new item accepted must improve on the performance of the brand currently occupying that space. Buyers are overwhelmed by new product offerings, all with ambitious promises. Improve your chances of success by incorporating Export Solutions’ 10 point check list on how to excite your category buyer about your new product.

<b>Buyers: New Product Assessment</b>		
	<b>High Interest</b>	<b>Low Interest</b>
Category Opportunity	Large or high growth	Declining or niche
Brand Owner	Multinational or proven local. Category expert	New foreign supplier or start-up
Innovation	Something new, supported by consumer research	“Me too” product
Profit Margin	Enhance current category margin	Equal to or less than current category margin
Sales	Generates incremental sales	Cannibalizes existing sales
Marketing Investment	Sampling, social media, PR	None
Trade Programs	Invests in retailer “push” programs	Periodic discounts/rebates
Brand Track Record	Successful at other local retailers	Unproven in the country
Terms/Conditions	Attractive deal structure	Typical terms/conditions
Representation	Dependable local distributor	Small, niche entrepreneur

## Build Relationships to Build Business

Many of the most successful business deals are clinched long after 9:00 pm. Barriers come down once your buyer or distributor escapes the handcuffs of an office environment. High impact schedules filled with meetings, emails, and deadlines leave us too little time to cultivate relationships. Technology, travel, and industry globalization have created seismic shifts in our business practices. One fundamental that hasn't changed is that relationships count and customers prefer to do business with people they like. Export Solutions shares a few ideas to build relationships to build your business with key buyers and distributors.

### Factory Tour

A well executed visit to your production facility represents a perfect opportunity to demonstrate your category leadership and commitment to quality. Couple the factory tour with a meeting with your Research and Development team to impress the buyer (or distributor) with your plans for the future. Finish the day with a dinner with your company president or other senior executive. This will provide an excellent opportunity for you to serve as a "host" and create lasting impressions of your brand beyond numbers on a price list.

### Share a Business Book

An inexpensive way to enhance your connectivity is to mail your buyers and distributors a recent business book. Include a short personal note saying "I recently read this book and thought that you might enjoy it." Another idea is to provide a gift of a "coffee table style" book of photos from your city. Inscribe the book with a personal note and even an invitation such as, "I hope you can visit our city and company headquarters one day." You would be surprised about how many of these books wind up displayed in the company's waiting room.

### Speaking Invitation

Distributor executives and senior level buyers can share broad perspectives on industry observations sourced from a variety of suppliers. Most would be flattered by an invitation to speak at your company's annual sales meeting or local industry conference. Suggested topics are the retailer's own success story, trends and innovation or another area where the



distributor or retailer has demonstrated a unique capability. Organizing and hosting the speaker normally requires significant interaction on speaking topic and logistics, supplying further personalized contact opportunities.

### Online Networking

LinkedIn counts almost 600 million participants and Facebook has more than 2.5 billion users. These tools facilitate connectivity. I have been thrilled with invitations to connect via LinkedIn with peers from my early career days. Now I can keep up with their progress and rekindle important relationships.

### Road Trip

Admit it. When you go on vacation, you always check the local supermarkets. We are all students of the industry and enjoy visiting international retailers to view new formats and category trends. Why not invite a buyer to visit an international market with you? You could bring the buyer or prospective new distributor to visit a country where your brand looks impressive at retail. The same approach applies to an invitation to visit an international trade show to see innovation in a different country.

### Handwritten Notes

Email, texts, and twitter have replaced the art of a handwritten note. One of my mentors is now the CEO of a mid-sized company. He ordered casual note cards to send out quick personal notes. Every

week, he invests the time to send out multiple notes to the many people he meets. This ranges from a buyer at a regional retailer to a sales representative who sold a nice display. These notes come from the heart and often mean a great deal to the recipient. No surprise that this mentor is one of the best liked and most respected people in the industry.

### Recognition Plaques

Everyone likes to receive an award. Distributors proudly display these plaques in their office lobbies as a statement to their achievements. Buyers can be presented plaques for reaching 100,000 dollars of purchases or 100 million units of purchases...you can always find a reason to celebrate! The plaques normally cost \$100 or less but can deliver significant intangible benefits.

### Old Reliables

Golf still represents a great five hour bonding experience unless you are a lousy hacker like me. Dinner at a first class restaurant with your distributor and their spouse may be a treat. Birthday cards may be old fashioned but send an important message. Buy lunch for the retailers or distributors administrative staff. You'll get the reputation as a person who appreciates the team behind the scenes.

You will be pleasantly surprised to discover that your buyers and distributors like to have fun as much as you do!

# Where Do You Want to Grow?

## Asia/Africa/Middle East

	Australia – 262 Distributors
	China – 165 Distributors
	Hong Kong – 166 Distributors
	India – 98 Distributors
	Indonesia – 68 Distributors
	Japan – 174 Distributors
	Korea – 134 Distributors
	Malaysia – 122 Distributors
	Philippines – 99 Distributors
	Singapore – 169 Distributors
	Thailand – 90 Distributors
	Vietnam – 50 Distributors
	Egypt – 56 Distributors
	Saudi Arabia – 107 Distributors
	U.A.E. – 172 Distributors
	South Africa – 106 Distributors

Plus 14 more countries

## Europe

	Austria – 65 Distributors
	Belgium – 77 Distributors
	Croatia – 69 Distributors
	France – 117 Distributors
	Germany – 170 Distributors
	Greece – 79 Distributors
	Hungary – 62 Distributors
	Italy – 90 Distributors
	Netherlands – 143 Distributors
	Poland – 75 Distributors
	Russia – 108 Distributors
	Spain – 144 Distributors
	Sweden – 96 Distributors
	Switzerland – 90 Distributors
	Turkey – 80 Distributors
	U.K. – 249 Distributors

Plus 19 more countries

## Americas

	Argentina – 58 Distributors
	Bolivia – 51 Distributors
	Brazil – 130 Distributors
	Canada – 193 Distributors
	Chile – 81 Distributors
	Colombia – 91 Distributors
	Costa Rica – 67 Distributors
	Ecuador – 56 Distributors
	Guatemala – 52 Distributors
	Mexico – 190 Distributors
	Panama – 60 Distributors
	Paraguay – 58 Distributors
	Peru – 84 Distributors
	Uruguay – 57 Distributors
	USA – 549 Distributors
	Venezuela – 59 Distributors

Plus 14 more countries

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