

## Price Calculation Benchmarks\*

Brand owners focus on containers purchased. Distributors dream about profitable ROI. Appreciate a distributors right to earn a fair profit and your brand will benefit!

Assessment Criteria	Global Benchmark	Actual
Retailer: Everyday margin	20-40%	
Retailer: Back margin (rebates, discounts)	0-15%	
<b>Total Retailer Gross Margin</b>	<b>25-45%</b>	
Trade Promotion (Manufacturer)	5-20% of net sales	
<b>Total Distributor Margin</b>	<b>15-35%</b>	
Warehouse/Stickering	2-4%	
Delivery	2-5%	
<b>Total Distributor Logistics</b>	<b>3-7%</b>	
Key Account Sales	1-3%	
Brand Management	1-2%	
Merchandisers/Field Force	0-4%	
<b>Total Distributor Sales Team</b>	<b>4-6%</b>	
Administration	1-2%	
Finance and Collections	2-5%	
Overheads (office, IT, corporate)	2-5%	
Distributor Promotion Investment	0-10%	
<b>Distributor Net Profit</b>	<b>2-5%</b>	

\*Ambient grocery example: Higher margins – Chilled and Health & Beauty products

\*Brand leaders enjoy lower margins. New brands require higher margins.