

Analyze: Your Contribution to Distributor Profit

Export Solutions: 20 Factors Driving Distributor Profitability

Assessment Criteria	Considerations	Result	Rating: (10 = Best)
Annual Sales Revenue	• Percent total distributor sales		
Annual Margin Generated (\$)	• Net sales times gross margin		
Distributor Percent Margin	• 10 percent to 50 percent		
Brand Owner Investment Level	• Percent of distributor purchases		
Distributor Margin Re-Investment	• Distributor promotion spending		
Category Adjacency	• Distributor portfolio synergies		
Brand Market Share	• Niche versus market leader		
Payment Terms	• Pre-pay versus 120 day terms		
Safety Stock Requirements	• Two weeks to four months		
Typical Customer Order	• One case to full truck		
Shelf Life	• Two weeks to five years		
Case Cube/Case Cost	• "Low cube, high case cost best"		
# Brands/Items in Range	• "High sales, fewer items valued"		
Logistics/Storage: Temp?	• Ambient versus chilled		
Damage/Expired Goods	• None to 20% of sales		
Category Competition	• Niche to highly competitive		
Labor: Battle for Shelf Space	• None to intense fight		
Brand Manager	• Shared or dedicated		
Admin Requirements	• Orders only to multiple reports		
Manufacturer Visit Frequency	• Never to weekly		