



Export Express

Insights to Accelerate International Expansion



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

Coming Soon

Export Solutions will launch a new retailer database this summer. This exciting new tool will provide information on 1,000 leading retailers in 96 countries. Subscribers will track leading customers by banner, format and store count. The database supplies retailer financial information and latest news. Interested? Contact Export Solutions to learn more about our retailer and distributor databases. We can help!

In This Issue

Page 1
New Channels – New Customers

Page 2
Small, Small, Small Strategy

Page 3
Brand Manager Assessment

Page 4
**Retailer Benefits:
Purchase from Local Distributors**

Page 5
Reduce Export Diverting

Page 6
Can We Help You?

Page 7
**New Channels:
Prime Prospects, By Category**

Page 8
Where Do You Want to Grow?

New Channels – New Customers

Is it good news that global supermarket channel sales are flat to declining? Demanding supermarket giants are losing share everywhere to e-commerce, small shops, gourmet and specialty retailers, as well as ethnic formats. Bad news for our biggest customers, could be a positive trend for the supplier community? Emerging channels offer higher manufacturer profits and reduce dependency on expensive to serve supermarket chains.

Retail Trends

In the USA, the supermarket channel represents only about 55% of consumable sales, a steep decline from around 75% in 2000. Total retail sales in China grew an impressive 10% in first quarter 2017 according to Fung Business Intelligence. E-commerce sales surged 25.8%, while Top 100 brick and mortar retailers crept forward by 2.7%. Online sales now account for 12.4% of total China retail. A recent Carrefour presentation stated that consumers need “more caring, more relationship.” This becomes difficult to achieve in large format supermarkets staffed with part time employees. The digital age allows brands and new retailers to personalize communication and promotional offerings based upon past shopping habits.

So Many Channels... So Little Time.

Spoiled consumers are blessed with places to shop. Multinationals like Nestlé and P & G are obsessed with pushing their brands everywhere money changes hands. Export Solutions identified 30 distinct trade channels (see page 7) purchasing Confectionery, Food, Beverage, and non food products. Many of these channels are searching for strategies to increase basket size.



Typically, these channels do not demand listing fees or frequent promotional allowances, but may require unique items or smaller case packs.

Prime Prospects

Urgent: Exporters must require each distributor to create an e-commerce sales strategy. Early adopters will pioneer the Meal Kit channel, securing placement for their products in these convenient meal solutions. Gift baskets represent an enormous opportunity. I know two distributors that sell more than 20,000 high margin baskets every year. All large countries maintain ethnic retailers, catering to homesick Asians, Americans, Brits, Latinos, Italians, Germans etc.

Distributor 2025

Manufacturers select national distributors with good contacts at supermarkets, but minimal resources directed at alternate channels. Solution? Find sub-distributors focused on these segments or partner with a brand well established in the channel. Challenge your partner to penetrate these customers or serve as a “master distributor” supplying other companies with expertise with these customers.

New Channels: Prime Prospects, By Category

Channel	Confectionery	Gourmet Food	Food/Grocery	Beverage	Non Food
E-commerce	X	X	X	X	X
Meal Kits	X	X	X		
Ethnic – “Homesick”	X	X	X	X	
Gift Basket	X	X	X		
Natural Food	X	X		X	
Gourmet, Deli	X	X		X	
Liquor	X			X	
Farmers Markets	X	X			
Gift Channel	X	X			
Toy, Party Stores	X				X
Movie Theaters	X				
Hardware, DIY, Office	X			X	X
Duty Free	X	X		X	
Fundraising	X	X			
Theme Parks, Stadiums	X			X	
Airlines	X				
Butchers, Fishmongers	X	X	X		
Coffee Shops	X			X	
Military	X	X	X	X	X
Department Stores	X	X			
Kitchen Supplies	X	X			X
Dollar, Close Out	X	X	X	X	X
Discount Clothing (Marshalls, TJ/TK Maxx)	X	X			