



# Export Express

Insights to Accelerate International Expansion



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

## 1000 USA Experts

Export Solutions features the most extensive database of USA food brokers, distributors, and importers. This includes specialists for Italian, Spanish, British, German, Asian, and Hispanic food plus other supermarket categories.

Export Solutions tracks more than 537 food brokers, as well as 551 food importers and distributors. Our retailer database shares info and weekly fliers for 334 USA retailers. Subscribe now to our database which covers 96 countries and more than 8,600 distributors and 2,500 retailers: [www.exportsolutions.com](http://www.exportsolutions.com).

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## Asia Success Recipes



Asia's population exceeds 4.6 billion people, 59% of the global total. "Mouths plus money equals opportunity." During the last ten years, export departments participated in the China Gold Rush with disappointing results. The majority of branded food companies sell more to adjacent markets like Puerto Rico, Ireland, and Malta than they do to China or India. The China Syndrome reveals that Asian food companies have achieved more success marketing their food to Europe and the USA than western companies have gained in Asia.

### Meal Traditions

Asians enjoy different meal traditions, with little overlap with western practices such as cereal at breakfast. Confectionery and snack products are the exception, as everyone loves a sweet treat. Asia features multiple cuisines, with clear differentiations between Chinese, Japanese, Thai, Indian, Korean, and Filipino food.

We learn to appreciate these geographic specialties through restaurants sprinkled across most USA and European cities. In Asia, the most common western restaurants are fast food options like McDonalds, KFC, and Pizza Hut. These chains do not inspire Asians about our premium product ranges featured at every supermarket.

### Too Big to Ignore

Asia's population is young and too big to ignore! China and India are the worlds two most populous countries, with around 1.4 billion citizens each. Indonesia, Japan, Philippines, Pakistan, Bangladesh, and now Vietnam all boast populations surpassing 100 million. For most companies, it is time to admit that the current approach to marketing to Asia has not created significant and sustainable business relative to the enormous potential. Now is the time to consider new strategies to tap into the most attractive growth opportunity on the planet.

*continued on page 7*



## Who is Your Company Missionary?

What's the best way to launch a new brand into international markets? Many of us follow the worn path of finding a good distributor, shipping the first order, and then waiting for news of retailer acceptance and consumer delight. In some cases, this approach works and your amazing product and marketing plan generates immediate traction. The reality remains that retailers and consumers are overwhelmed by choices and your brand will need a spark to pop from the shelves in a new country.



At my export workshops, I compare the expansion of a brand to the birth and development of a child. A pregnancy lasts nine months where parents carefully plan for the baby's arrival. Then, a beautiful child is born, with the mother (and father) rarely straying more than ten meters away from the baby for the first three months. As time progresses, the infant develops, gains independence, and matures into an adult.

Export programs frequently do not achieve optimistic year one ambitions. A prime reason is that the "brand parents" create a solid plan, but leave their new product "child" in the hands of a distributor "babysitter" for the critical first three to six months of launch. Export managers wear many hats and can not be everywhere. My experience reveals that the total family must support a new distributor to promote your brand effectively in a new market.

I love the story of the owner of a mid-size European beverage company participating in their Australia expansion. He committed to ninety days in Australia, the majority of the time spent riding the beverage route trucks, selling "up and down the street."

Who can match the passion and enthusiasm of a company owner or export manager? His presence signaled a powerful message to grassroots, influencer retailers, and stimulated a good start. This entrepreneur was close to reality, sourcing direct feedback from customers. He maintained the ability to quickly solve problems and capture distributor focus. I know many would jump at the chance for ninety days in Australia during their summer, but might be reluctant if the launch was in Moscow in winter!

How can a company adopt missionary zeal during the critical introductory window?

**1. Motivational Distributor Launch Meetings:** Distributors sponsor sales team meetings on a regular basis. Create an exciting module with plenty of product samples, brand gifts, and a sales contest. Everyone is always happy at a "Baptism" party.

**2. Customer Call Blitz:** Dedicate a week (or two) to participate at initial retailer calls. Skip major retailers if they will only use your visit as an opportunity to extract more money. In this case, visit smaller customers to secure first hand feedback and demonstrate that you are part of the team.

**3. Temporary Assignment for Company Brand Manager:** Consider sending a brand manager or other company employee for a short term role to help the distributor. Assignment may last one month or one year.

**4. Monthly Visits – First 3-6 Months:** Nothing replaces a personal connection. Your distributor will be motivated to perform if he is aware of your commitment to visit monthly. Trips must focus on in-store availability and consumer offtake, not boring PowerPoint meetings in conference rooms.

Export success is directly proportional to your financial commitment. Marketing is one critical element of your plan. Of equal importance is the costly investment of your own time "human capital" to support the launch. A dedicated missionary can inspire success, store by store.

Good luck!

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## 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

## *Distributor E-Commerce Scorecard*

E-commerce development and digital marketing expertise is a top priority. International distributors must establish a plan and demonstrate patience. Are your distributors e-commerce leaders, performers, or laggards?

Assessment Criteria	Considerations	Rating: (10 = Best)
Distributor CEO Commitment	<ul style="list-style-type: none"> <li>Investment, engagement, and patience</li> </ul>	
E-Commerce as Percent Total Sales	<ul style="list-style-type: none"> <li>How big is e-commerce for distributor?</li> </ul>	
E-Commerce 2019 Growth Rate	<ul style="list-style-type: none"> <li>Results: 2020 trends? 3 year CAGR?</li> </ul>	
2020 E-Commerce Growth Objective	<ul style="list-style-type: none"> <li>Benchmark versus overall country growth</li> </ul>	
E-Commerce Team	<ul style="list-style-type: none"> <li>Dedicated? Experience? "A Players?"</li> </ul>	
E-Commerce Analysts	<ul style="list-style-type: none"> <li>Dedicated or shared?</li> </ul>	
Digital Marketing Manager	<ul style="list-style-type: none"> <li>Experience? Budget? Examples?</li> </ul>	
Logistics: Fulfillment Capability	<ul style="list-style-type: none"> <li>Solution to deliver by unit?</li> </ul>	
Top E-Commerce Customers	<ul style="list-style-type: none"> <li>Coverage, penetration?</li> </ul>	
Amazon: Treated as Key Account?	<ul style="list-style-type: none"> <li>2019 sales, trends, items listed</li> </ul>	
# Items Sold: Your Brand	<ul style="list-style-type: none"> <li>Listed items at major retailer like Amazon</li> </ul>	
# Items on Page 1 or 2: Your Brand	<ul style="list-style-type: none"> <li>Listed items on page 1 or page 2?</li> </ul>	
Your Brand Share: Page 1 or 2	<ul style="list-style-type: none"> <li>Category share of items on page 1 or page 2?</li> </ul>	
Category Sales Ranking: Your Brand	<ul style="list-style-type: none"> <li>Sales rank for key items</li> </ul>	
# Customer Reviews: Your Brand	<ul style="list-style-type: none"> <li>Total number of reviews for your brand</li> </ul>	
# Positive Reviews: Your Brand	<ul style="list-style-type: none"> <li>Number/percent of 4 and 5 star reviews</li> </ul>	
Reputation Management	<ul style="list-style-type: none"> <li>Responsiveness to consumer feedback</li> </ul>	
Percent Third Party Sales: Your Brand	<ul style="list-style-type: none"> <li>Sales trends through 3rd party merchants</li> </ul>	
Special Packs	<ul style="list-style-type: none"> <li>Capability to create e-commerce packs</li> </ul>	
Pricing: E-Commerce vs. Retail	<ul style="list-style-type: none"> <li>Pricing equilibrium: retail and e-commerce</li> </ul>	

## Export Journey: SMCG to FMCG

A big difference exists in export strategy for SMCG (Slow Moving Consumer Goods) and companies committed to FMCG Brand Building (Fast Moving Consumer Goods). Either model is okay. Many companies are en route between SMCG and FMCG. Alignment between aspiration, investment, and perspiration drives realistic outcomes.

	SMCG		FMCG
<b>Aspirations</b>	Niche	Participant	Mass/Leader
<b>Consumer</b>	Homesick	Upscale	Local
<b>Research</b>	None	Nielsen	Consumer
<b>Portfolio</b>	Best sellers from home market	Best sellers from home market	Tailored to region or country
<b>Packaging</b>	Standard packs stickered	Multilingual	Local language label and pack size
<b>Factory</b>	Corporate HQ	Corporate HQ	Offshore
<b>Pricing</b>	Super Premium	Premium	Competitive
<b>Marketing</b>	None	Sampling, Digital	360 Plans TV, Digital
<b>Trade Spend</b>	None	10-20% Discount	Ad, Display 20-30% Discount
<b>Route to Market</b>	Niche distributor	Mid -size distributor	Mass distributor or subsidiary
<b>Country Focus</b>	Adjacent Homesick Expats	Mid-size countries plus USA	All countries USA, China, Brasil
<b>Channels</b>	E-Commerce Homesick Expats	Supermarket E-Commerce	All channels
<b>Oversight</b>	1 visit/year from HQ	Regional manager	Dedicated country manager
<b>Complexity</b>	Low	Moderate	High

# 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



**Export Solutions**  
Distributor Identification Experts

**Call the Export Accelerator!**

Contact Greg Seminara at [gseminara@exportsolutions.com](mailto:gseminara@exportsolutions.com)  
to discuss your business development project.

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

## Saudi Arabia Listing Map\*

*"Required Template for Every Country"*

\*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.

Retailer	Stores	SKU 1	SKU 2	SKU 3	SKU 4	SKU 5	Comments/Plans
Panda	525	x	x	x	x	x	SKUs 4, 5 stocked only at Hypermarkets
Al Othaim	245	x					New item call – May
Danube	44	x	x	x	x		Category Review October
Farm	85	x	x	x			New shelf set
Tamimi	48	x	x	x			Special Offer November
Al Raya	57	x	x	x	x		New SKU 4 listing
Lulu	17	x	x	x			Category Review October
Carrefour	16	x	x	x	x		Ramadan displays
Bindawood	23	x	x	x	x		New SKU 4 listing
Manuel	8	x	x	x			SKU 4 delisted

Export Solutions tracks 16 retailers in Saudi Arabia and 135 across the Middle East.

Subscribe to our retailer database for more information including store counts, web shop, and retailers' weekly offers. Export Solutions' Distributor Database tracks 108 distributors in Saudi Arabia and 864 distributors in the Middle East. Subscribe now [www.exportsolutions.com](http://www.exportsolutions.com).

## Create Your Own Export Library



*Distributor Search Guide*



*Export Strategy Guide*



*Export Handbook*



*Export Scorecard Guide*



*Selling to USA Handbook*



*New Distributor Cooperation Model*

*"From first meeting to first order."*



*Distributor Management Guide*



*Finance & Logistics*



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

## Asia Success Recipes

*continued from page 1*

### Asia Best Practices – Local Flavors

Brands like Oreo and Pringles succeed by adapting to meet preferred taste profiles. Would you be open to trying Pringles Crab, Seaweed or Raemen Noodle options? How about Oreo flavors such as Wasabi, Red Bean Cake, or Lychee? Andros extended their Bonne Maman category knowledge in preserves to a new brand called GuoLeShi fruit purée. Market research and consumer testing can reveal innovations more suitable for appealing to Chinese consumers taste palates. Another source of revenue may be introducing Asian variants of your product to your home market. This creates product news and may position your company as on trend to young consumers looking for more adventurous food choices.

### E-Commerce

China e-commerce represents twenty percent of total retail sales of consumer goods according to Fung Business Intelligence. This figure surged sixteen percent in 2019 and is expected to further accelerate in 2020 due to reaction to the corona virus outbreak. South Korea and other countries are leaders in e-commerce development. Brand owners may elect to execute an e-commerce only strategy in Asia, skipping expensive listing fees and in-store marketing requirements. Today, there are sales organizations and marketing agencies dedicated to the e-commerce channel.

### M & A Beachhead

“If you can’t beat them, buy them.” One strategy is to acquire a local participant in your category. Leverage their existing infrastructure, route to market, and production facility to launch your own premium brand. An interesting alternative is to purchase (or invest) in a manufacturer in Malaysia or Philippines and use that as a launch pad into other Asian countries. Inter-Asia trade in the food business is booming, significantly outperforming European and USA exporters. Warning! We all recognize the perils of acquiring companies in China and India.

### Foodservice – Window to the World

Western brands normally focus market entry on modern trade retail channels, especially supermarkets. Consideration should be given to early marketing activation in the foodservice segment. This creates awareness of your brand and food pairings in an authentic environment. This plan may include promotions at restaurants specializing in your cuisine or five star hotels that feature special nights dedicated to world food.

### Help Wanted – Your Team

CEOs speak of the importance of Asia, then assign one manager from the head office to manage the entire region. Winning requires advance investment in local teams, even when working with distributors. Regional managers in expat friendly spots like Singapore, are now supplemented by country managers in more affordable locations like the Philippines and Indonesia. China success is directly proportional to your investment in multi-functional professionals based in Shanghai, the primary commercial hub for our industry.

### Costco Success Story

Costco appears as an important market factor in Japan, S. Korea, and Taiwan. Costco maintains 26 clubs in Japan, 16 in Korea, and 13 in Taiwan, representing some of the top performers systemwide. Costco’s Shanghai store surpassed optimistic expectations, with more than 240,000 paid members in the first six months of operation. USA brands may consider a partnership with Costco International as a new source of revenue. This minimizes complexity, but may provide retailer pricing issues later, if you decide to expand to other market customers.

### Good Morning Vietnam

Vietnam’s population should exceed 100 million this year. GDP is projected to continue to grow around seven percent. Many industrials are shifting production to Vietnam due to lower labor costs and to avoid tariffs associated with the USA-China trade war. The Vietnam retail environment is evolving quickly. Start now, before it’s too late!

### Japan Gourmet Channel

A gourmet and specialty retailer channel has emerged in Japan featuring more than 2,000 stores. These retailers specialize in premium food brands, many from overseas. Their marketing position is to offer high quality European and USA brands not available at traditional supermarkets. These chains include Kaldi, Seiju Ishi, and Meidi-Ya. Japan is receiving new attention in 2020 due to the popularity of this channel which serves as a gateway to Japan’s population of 126 million affluent citizens.

### Think Malaysia & Taiwan

Historically, exporters targeted wealthy expat bases such as Hong Kong and Singapore. Today, these are considered small, mature markets, with heart stopping cost of entry and brand building fees. As an alternate, consider Malaysia with 32 million people and Taiwan with 24 million.

### India – Co-Pack?

India is difficult to penetrate for all exported brands. Regulations, tariffs, and supply chains designed to protect 10 million small shop owners all appear as significant barriers to entry. One solution is to pursue an Indian co-pack operation or partner. This allows you to localize input costs and offer more competitive price points. Your manufacturing partnership must include direct technical oversight to insure compliance with your company standards. India is not easy, but following the traditional export model will not allow you to capitalize on this enormous opportunity.

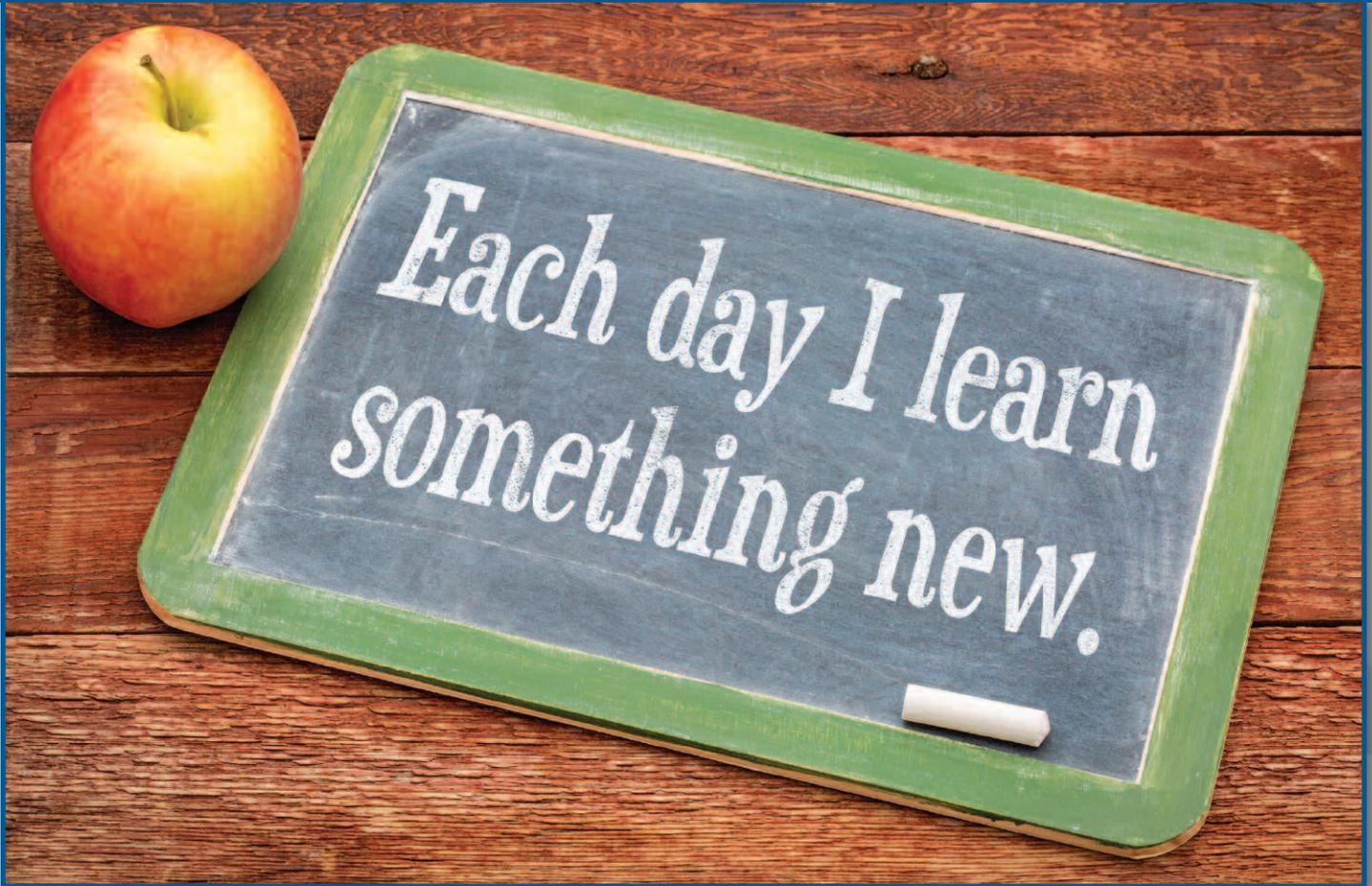
### South Korea – Often Bigger than BRICs

2019 USA confectionery exports to South Korea ranked fourth in the world, exceeding China and India combined. South Korea is open for business, with strong retailers such as E Mart and Lotte. Export Solutions tracks 134 distributors in our South Korea database.

### Export Solutions Can Help!

Export Solutions is active in Asia, with distributor search projects across every major country in the region. Our distributor database covers 1,948 distributors across 17 Asia Pacific countries from Australia to Vietnam. Contact Greg Seminara at [gseminara@exportsolutions.com](mailto:gseminara@exportsolutions.com) to discuss your Asia development plans.

# New Ideas for New Business



## Export Workshops & Speeches by Greg Seminara



**Export Solutions**  
Global Experts, Local Solutions

*"The real voyage of discovery consists not in seeking new lands, but in seeing with new eyes."*

– Marcel Proust, French novelist

# Sample Workshop Agenda

## Day 1 – “Models”

Topic	Core Themes
Strategic Export Development	Next Billion Consumers Market Segmentation/Prioritization, Different Partner Models
Best in Class Distributors	Best in Class Partner vs. Average Finding New Distributors
Break Group Case Study 1 & Report Out	Group Work
Lunch	
Distributor Economics	Distributor Financial Model/Watch-Outs
25 Common Export Problems Case Study #2 (Individual)	Individual Assignments and Report Out
Improving Market Visit Productivity	Maximizing Market Visit Activity

## Day 2 – “Best Practices”

Topic	Core Themes
More in the Store	New Business Through Improved In-Store Performance
Getting More Than Your Fair Share of Distributors’ Time	Increased Distributor Focus on Your Priorities
Case Studies #3 (Group)/Break Out	
Becoming a Preferred Supplier	Best Practices to Being Viewed as a Preferred Supplier by Your Distributors

**Workshop program concludes with lunch.**

## Global Presence – USA Retailers\*

			
2019 International Sales (\$ billions)	120	37	75
Percent International	23	23	31
Total Countries ( ex. USA)	26	11	12
<b>Total International Stores</b>	<b>6,148</b>	<b>239</b>	<b>21</b>
<b>Canada</b>	408	100	14
<b>Asia</b>	799	67	
	China - 438	China - 1	Australia
	Japan - 333	Japan - 26	Japan
	India - 28	Aust. - 11	India
	India - Flipkart	S. Korea - 16	
		Taiwan - 13	
<b>Latin America</b>	3,868	39	
	Argentina - 92	Mexico - 39	Mexico
	Cent. America - 838		
	Chile - 367		
	Mexico - 2,571		
<b>Europe</b>	631	33	7
	UK - 631	France - 1	Benelux
		Iceland - 1	France
		Spain - 2	Germany
		UK - 29	Italy
			UK - 7
<b>Africa</b>	442	Not Yet	Not Yet
	South Africa -393		
	Other - 49		

\* store count data as of February 2020

## USA Sales – Next Level Strategies: 10 Tips

Most European brands remain frustrated by their lack of progress in the USA market. Many companies completed a first step, with listings at World Market and Eataly (6 stores), but failed to gain traction at big chains with 200+ stores. June Fancy Food optimism fades by October. Your boss is committed to the USA, but demands better results before bigger investments. What do you do? Call Export Solutions!

Assessment Area	Considerations	Insights
<b>Consumer Target</b>	Who is your target consumer?	Millennials, foodies, homesick expats
<b>Channel Strategy</b>	Unique strategy required: upscale supermarket, e-commerce, specialty, and mass retailers	Priority: Upscale supermarkets, gourmet stores, ethnic stores, e-commerce
<b>Route to Market</b>	Channel, regional, and customer experts required	Determine ideal broker profile. Focus first on good brokers, then buyers.
<b>USA Manager</b>	Mandatory oversight of your USA development	Results proportionate to salary. Locate close to distributor or Atlanta, Chicago
<b>Trade Promotion</b>	Customer specific plan required	Invest in strong programs at 10 key retailers. 15% TPR promotions will not excite anyone.
<b>Export Solutions</b>	USA market development helper for European brands	Point of difference: Retail reality focus. Targeted, logical road maps. Sales oriented.
<b>Cost to Serve</b>	Implement strategies to reduce price gaps versus "Made in the USA" products	Evaluate options to create more efficient cost structure: factory gate to store shelf.
<b>Digital Savvy</b>	What is your social media plan? How much are you selling through Amazon?	Digital is targeted and cost effective. Amazon grocery: growing 30% + in USA.
<b>Lessons Learned</b>	What is working? Why has business not scaled? Barriers to progress?	Independent validation and solutions provided by USA market expert.
<b>Benchmark Brands</b>	Which overseas brands are winning in USA?	Study best practices: Barilla, Bonne Maman, Colavita, Filippo Berio, Lee Kum Kee, Rana, San Pellegrino, Walkers Shortbread
<b>Retail Safari</b>	How do I accelerate sales in the USA?	Export Solutions retail safari program yields tailored insights and best practices for succeeding in the mainstream USA market.

### Hire a USA Expert

- USA strategy recommendation
- Category analysis and plan development
- Identify priority channels, regions, and retailers
- Broker/Distributor identification Specialist
- Have a USA pro with 20+ years experience on your team



Contact Greg Seminara at  
[gseminara@exportsolutions.com](mailto:gseminara@exportsolutions.com) to  
 discuss your USA development project.  
[www.exportsolutions.com](http://www.exportsolutions.com)

## Searching for New Distributors?

Export Solutions makes life a little easier for more than 2,700 export managers. Our time saving distributor database serves as a “helper” for identifying more than 8,600 qualified, local brand builders in 96 countries.

### Search by Country, Category, or Country of Origin

#### Local Experts

##### Distributor Coverage

Asia:	1,948
Europe:	2,872
Latin America:	1,542
Middle East:	865
USA/Canada:	1,367

#### Category Experts

##### Distributor Coverage

Beverage:	1,541
Candy/Snack:	2,548
International Food:	2,785
Health & Beauty:	1,617
Natural Food:	694

#### Country Experts

##### Distributor Coverage

German Brands:	617
Italian Brands:	1,249
UK Brands:	599
USA Brands:	1,080



*“Select Your Distributors,  
Do **Not** Let Your Distributors Select You”*

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

