

What is the Size of the Prize?

Every job seeker is trained to quickly gauge the salary range before dedicating energy to the interview process.

Then why do companies searching for international distributors and new retail placements ignore the question on every



buyer's mind? What is the size of the prize? As export managers tout product benefits and overseas success, the distributor "customer" is quickly calculating how much revenue and profit your product line can generate in his country. Distributors are motivated by a big prize, just like you would be tempted by a new job offer with a lucrative compensation package.

1. All distributors are scouting for new business opportunities.

I help multinational companies like Barilla, Tabasco, Lindt, and General Mills on distributor projects. Leading distributors receive at least ten new representation opportunities per month. They make a quick initial assessment and respond with urgency for an attractive prize from a strategic brand owner.

2. Is your size of the prize estimate real?

Distributors appreciate companies with existing business in their country. This provides more accurate guidance on market potential. Pioneering from zero sales is tough! Distributors respect fact-based sales forecasts based upon category size, market share, pricing, and unique product benefits.

3. Sales performance is directly related to brand support investment levels.

Distributors may be more impressed by a company with a strong marketing support campaign commitment versus another brand with a breakthrough positioning, but limited investment in brand building. A brand's marketing budget commitment offers critical clues on the size of the prize.

4. Is it worth the effort?

Distributors are magicians at allocating limited team resources. Your product range may be tempting, but how difficult will the task be to launch your brand, gain traction and repeat sales? Most distributors select a maximum of two or three new companies each year from the mountain of inquiries received.

5. Apply the same discipline to distributor inquiries.

Export managers may be overwhelmed by inquiries from small traders or distributors from remote countries. Standardize your process to avoid speaking with "time wasters." Our motto "Select your distributors, do not let your distributors select you!"

Distributors maintain sales growth and profit objectives just like your company. Most distributors are independent, family-owned companies. Logically, they elect to invest their own money and team resources when a lucrative prize appears. Brands that remain focused on distributor benefits will be successful at attracting a strong network of best-in-class distributors.

Good Luck!

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