

# HomPort Strategy

2024 is the year to pursue your American Dream. 336 million people, big stores, and adventurous consumers with spending power establish the USA as the top opportunity. Most international brands are available sporadically in the USA, but sales levels fall far below potential. Many companies fail to achieve their ambitions, as they treat the USA as "Export Country #31," with a "copy/paste" approach from exports to smaller countries.



HomPort reflects the fusion of success strategies from your home base adopted for an export model. This incorporates fundamentals like market research, product innovation, and a strong local sales team. In practice, it signals a unique model for the USA, with stronger organizational and investment commitments delivering a larger size of the prize.

# 1. Range Review

Overseas companies usually default to their best sellers from back home. However, what may sell well in your country may represent an unfamiliar taste or meal pairing for the USA. Consider a product range just for the USA, with bold, colorful graphics to justify a premium pricing positioning. Herdez, a billion-dollar Mexican food player, created a winner with their Guacamole salsa range.

## 2. Target Upscale Retailers: "From High Class to Mass."

The USA features more than 460 retail banners. Focus your activation efforts at high-profile "influencer" retailers that are viewed as new product pioneers. Consider Kings, Roche Brothers, Fresh Market, Heinen's, Harris Teeter, Central Market, Gelsons, and Erewhon.

# 3. Hi-Low Promotions

One report revealed that over 40% of USA purchases were stimulated by a price discount. In the USA, consumers are geared to stock up via "Buy One Get One" and "2 for \$5" type offers. Consider higher everyday prices with deep discount promotions four times per year.

#### 4. Are Your Brokers the Right Fit?

Some international brands work exclusively through their importer, missing the vital connection to the broker who owns the customer relationship. Massive national brokers like Acosta and Advantage with 20,000 employees and armies providing store-level merchandising service offer a different model than niche specialty food brokers selling through UNFI and Kehe. Aim for motivated local brokers with experience executing trade promotion strategies and offering retail coverage.

### 5. Boots on the Ground

You must have someone based in the USA working with your brokers "day to day." Options include a dedicated (or shared?) employee or a broker management group that offers scale to emerging brands. Locate your person in a central hub like Atlanta, Dallas, or Chicago with optimal time zones and easy flight connections.

The USA offers potential to become the "second home" for companies willing to follow the clear path to market development. International companies need to reflect on the lessons learned from their biggest country and apply these fundamentals to the USA. Success in the USA represents a larger new business opportunity than all other "export" countries combined for those committed to the principles of HomPort!

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