

MANAGING A DISTRIBUTOR

If you have engaged with a distributor, the work really begins! For the purposes of achieving maximum commercial success, both you and your distributor will need to work hard at developing and progressing the relationship.

TARGETS

For an effective business partnership with your distributor, some form of measurement will need to be in place, with regard to sales. Having a defined set of targets is the best way of doing this. These targets should be in agreement with the distributor and will need to be reviewed on a regular basis.

KEEPING CONTROL

It is important to remember that although your distributor is your representative, you should maintain the relationship at key account level (with the buyer). This ensures that you do not have an over-reliance on any one distributor.

RELATIONSHIP WITH YOUR DISTRIBUTOR

Any healthy relationship requires the parties concerned to talk in order to successfully work together as a team. It is important to keep the doors of communication open at all times, thus allowing you to raise any issues of concern.

WEEKLY PHONE CONTACT

Contact should be ongoing and the development of a focused relationship with your distribution company's account manager will help you to grow and develop your business. Ideally contact should be made on a weekly basis.

WEEKLY SALES REPORTS

Your distributor should be providing you with weekly sales reports showing sales performance versus targets. This report should list all the retailer/foodservice outlets where your product is currently stocked.

QUARTERLY REVIEW MEETING

It is vital that you review progress with your distributor once per quarter, at a formal review meeting where sales performance and targets are compared. The objective of this meeting is to review progress based on results achieved and to alter targets as well as overall strategy, if necessary.

ANNUAL SENIOR REVIEW MEETING

Equally important is the need to draw a line in the sand once per year to assess how the joint business is progressing and to identify potential business opportunities. You will need to be commercially minded about the partnership, thus necessitating an in-depth performance review annually.

TWO FULL SALES MEETINGS PER YEAR

Your distributor's sales force is effectively your sales team on the ground, and you need to put considerable effort into educating them and providing them with relevant information, relating to your product range. This will equip them to grow sales in the marketplace. Briefings and product tastings for reps and telesales staff can reap enormous benefits.

REVIEW STRATEGY

Despite the best efforts of both you and your distributor, sometimes sales do not materialise as planned. You need to recognise this, and react rapidly with a new sales strategy for the product. Additional promotions, new listings, sales force reviews, fast track NPD, etc. should all be harnessed to re-energise the relationship and drive sales forward.

MANAGEMENT

A simple policy of visiting stores and calling into a number of foodservice customers to see how your product is performing is a great way to stay in touch and measure your distributor's performance. It also sends a strong message to the distributor's team that you are fully in touch at trade level.