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Creating a dealer network



And even so, the task of the manufacturer is not at all in sales. To be engaged in distribution effectively, you need to have unique skills and technologies, this business is associated with servicing a large number of customers with whom specially trained employees work. This system of accounting, control and management of commodity and cash flow. Most often, the company simply cannot release the necessary financial and human resources from production, and besides, building a non-core business from scratch is not easy. Therefore, as noted above, usually its own sales department is engaged in direct deliveries in the scale of its region.

Dealers in the marketing channel

The goal of the dealer, in contrast to other intermediaries, is to serve end-users with the help of workers of necessary qualifications. Dealership is characterized by a variety of forms of customer service, more than distribution. Dealers use the methods of sales by means of sellers or self-service, hold consultations of customers, sell through automatic machines, through catalogs, by telephone and using other means of modern communications.

The main forms of dealership include:

- specialized trade (narrow range of special goods);
- trade with a mixed assortment (universal trade in a large assortment of goods);
- installation, installation of equipment by request of the client;
- repair and customer service discussions;

Retail

The bulk of customer service comes from retailers. The combination of retail trade enterprises and other trade units located in a certain territory for the purpose of selling goods and serving customers is a retail distribution network.

The main functions of the retail network are: procurement of goods, sale of goods, transportation, storage, risk acceptance, financial activities, market information, obtaining information about the market, sorting, part-time work and bringing to a presentation.

The trading network provides the ability to quickly, conveniently, with minimal effort and time, acquire the necessary goods and services in a free choice from a wide and deep range, close to the place of work and housing, in a convenient amount.

Dealer economy

The gross income of a commercial enterprise is the revenue from the sale of goods of services (turnover) minus the cost of paying for the value received from suppliers of goods. Gross income consists of three parts:

The amount of money received from the sale of goods, due to the difference between the sale price (turnover) and the purchase price. This part is a trade allowance.

Receipts for services rendered and work performed (fitting outerwear, cutting fabrics, home delivery, etc.)

Other income from non-core activities (balance of income and expenses from non-operating transactions, sale of surplus equipment, transfer of temporarily unused premises and objects of a small retail network to rent, income from equity participation in the activities of other enterprises, from securities owned by the company, etc.)

The economic purpose of gross income is reimbursement of distribution costs, payment of taxes, fees, and the formation of profits.

The main part of the gross income in the classic case is formed by trading activities. In general, gross income is calculated by the formula:

$$VD = N + U + P$$

Where:

VD - gross income

N - the markup of a commercial enterprise

Y - the cost of services rendered

P - other income.

Getting a "U" and "P" reduces the dealer's dependence on commercial profitability. For example, the dealer can use the offer of the main product range as a magnet to attract customers to the proposed related services.

Having resorted to the services of the dealer, the buyer finds many solutions to his problems and, more often, makes unplanned purchases of additional services. This leads to the fact that commercial transactions (trading allowance) ceases to be the main source of profit for the dealer.

From the point of view of this strategy, the merchant selects a pricing policy that allows you to "liquidate" the product and convert it into cash flows in the shortest possible time, at a price that ensures the fastest movement of these goods. Sometimes this can go against the positioning of the product chosen by the manufacturer.

Speaking about financial marginal income, it is necessary to describe the concept of a commodity loan, - as a result of the signed contract and the terms of payment for the goods presented for sale stipulated in it.

The repayment period of a commodity loan is the term of payment for goods according to the contractual terms of delivery. The period of turnover - the turnover of goods submitted for sale. In the case when the period of turnover is less than the maturity of the commodity credit for this product, the retailer may invest revenue in other projects, for example, in short-term securities or in the purchase of additional volume of goods for an implementing. Creating a dealer network

Alternative distribution The first step in creating a dealer network is to identify the tasks you want to solve by creating a distribution dealer network. Depending on the marketing characteristics of the product, the target audience and the market conjuncture, the total number of intermediaries in the channel is to be determined, in other words, the intensity of distribution. There are three alternatives: intensive distribution; selective distribution; exclusive distribution. alas, one of the alternatives is not the goal of the article. This is a completely separate topic. However, to completely get around this topic would not be true. Let us consider the description of alternative distribution targets: The goal of intensive distribution is the coverage of a wide area. This method ensures maximum contact of consumers with goods and assumes that in every outlet where potential customers may be interested in the product, it is available. A selective distribution means using a limited number of outlets in each territory. This allows you to select the best among the participants of the channel, avoiding increased risks. At the same time, such a strategy places a great responsibility on intermediaries in the promotion of goods. Usually it is used for goods that can be attributed to well-known trademarks and which are characterized by a high degree of loyalty to the brand. With selective distribution,

manufacturers benefit from the higher loyalty of channel participants and their willingness to cooperate. Retailers, for example, know that they are guaranteed a certain amount of sales, they experience less competition from sellers when compared to intensive distribution. An exclusive distribution is characterized by a limited number of intermediaries for each region. In this form, manufacturers retain maximum control over the market, and the marketing characteristics of the product or the company's marketing strategy do not require the presence of goods "at every corner" at each shopping center.

Dealer card of the market Guiding the strategy and objectives of creating a network, it is necessary to analyze existing dealers . First you need to make something like a "dealer card market." Such a map is a list of market intermediaries who, according to your distribution strategy, are capable of solving tasks. It is easiest to keep a market map at the beginning in the form of a table with the following columns: name, contact, classification (if talking about retail, retail classification can be taken here), range, level of services, availability of competitive goods, brands, merchandising level, location level, own advertising activity; The number of graphs of the table can be expanded, depending on the need to take into account other dealers of the dealer's activities, and of course, depending on the specifics of the dealer's work (services, retail, b2b segment). A mapped market map will allow you to: determine the number of potential dealers in the network; conduct a sample; analyze the competitive environment; estimate the costs of marketing promotion; plan the advertising campaign; analyze the costs of transport logistics; plan the management of building and further servicing the network; Objectives indicators, deadlines, time marks for monitoring performance. The most important thing is that the tasks are achievable and formulated in a manner understandable to the performers. For example, the growth in the number of retail outlets can be described by the following task: The task for the week for the representative has to sign at least 1 new supply contract for dealers that meet the agreed characteristics (maximum 3, maximum limit, to colleagues, it should be completely clear). Previously signed contracts of the previous week should include shipments of goods. According to previous shipments, a display of goods must be arranged and promotional equipment must be posted. For the manager, the creation of a dealer network before It is also necessary to set up indicators and set tasks. Management After completing all the preliminary work, it is necessary to figure out how to negotiate, discuss delivery terms, carry out the first test shipments of goods, implement the first promotion programs. Naturally, we are talking about the formation of a certain management structure for the dealer network, it's worth only paying attention to the fact that the tasks of building a dealer network and the tasks of regular management with a formed network are different tasks, respectively, and the management should be different. Management is not only personnel, but also the entire management system: from setting tasks, formulating indicators of current work, to the ability to implement project objectives often, when regular management standards are not formed: product + promotion is money + loyalty. The process is at the "agreement" stage and first shippedcall, discussion of programs to promote and promote the network to take the lead entry into retail. The qualification of sales representatives of a manufacturer during the period of entry should differ from the qualifications of employees who carry out the delivery of products, counter-payables for receivables and implementing work programs to stimulate the network. Key performance indicators in forming a network by category; increase dealer network in units time, the number of shipments, the number of shipments of goods with the minimum crediting terms, the growth of receivables in relation to the growth of the number of dealers, merchandising agreements, the number of equipment required for display and demolition, arrangements for promotion actions. All of these indicators and Others that you consider reasonable for control can also be led and analyzed in the dealer picture of the market by adding the appropriate boxes. Promotion of the sales networkThe sale of goods is a chain that connects the manufacturer with the consumer through intermediate links: marketers, resellers, purchasers. All this is called a marketing channel. For effective impact on the consumer requires the use of special methods. Usually, it is up to stimulation to look for techniques that correspond to each stage in the sales process. Marketing has changed the relationship between the manufacturer and the distribution network; sales apparatus can say a lot about the manufacturer, since its level determines the commercial efficiency of the latter. If

marketers are not interested in the product, the distribution network will also show no interest in it and the production of this product will very soon cease to be profitable. If, on the contrary, the product is not indifferent to marketers, they will be able to convince the store manager and consumers will buy this product. Knowing the deep needs of our own product sellers (the security of one's position, the sense of belonging to an enterprise, self-respect, the desire for self-realization), an enterprise will not continually stimulate its business units responsible for marketing. Incentives should be applied in exceptional cases and have clearly defined goals. Only in this way can the efforts of marketers be mobilized for a short period of time. By resorting to stimulating events: merchandising, trade marketing campaigns, sales promotion, the company can achieve various goals: Product inclusion in the store's range; Increase the quantity of goods purchased by the sales network; Counter competitors' shares; Revive the situation at the point of sale of the goods. Promotion activities undertaken in order to have an impact on the sales divisions of the enterprise, have in recent years rapidly spread and led to the opposite effect in some areas. Flaxiness - sellers are waiting for incentives to complete their commercial program. Therefore, any sales promotion must be exclusive and carried out under strict control. At the same time, it is important to be able to quickly assess its profitability. The methods of stimulating the trade network In order to bind marketers to themselves, give them the necessary motivation and make them feel the "spirit" of the enterprise, the manufacturer applies various methods: provides them with financial benefits, organizes competitions, arranges trips. All of these tools are incentive measures - sales promotion. The methods of operations "incentive - reseller" can be divided into two groups: financial benefits and benefits in kind. Financial benefits. There are several types of discounts: discounts associated with the introduction of goods into catalogs, discounts for the quantity of goods purchased, compensation for advertising, advertising at the point of sale or for profitable presentation of goods by the wholesaler or retailer; Discounts associated with the initial inclusion of goods in the range. This is the most commonly used sales promotion technique. This discount is applied at all stages of sales and is available to large resellers, wholesalers, retailers. Discount sizes depend on the size of the order and range from 5-20%. It is very easy to use, as well as in terms of control; in addition, its effectiveness can be determined already upon receipt of the next order. Discounts on quantity. In order to ensure the uniformity of movement of its own inventory, an enterprise may offer discounts to wholesalers and retailers at strictly defined points in the product life cycle. Most often this occurs at the growth stage. In order not to become discriminatory, a discount on the amount at a given point in time should apply to all participants in commercial activities; its dimensions are set by the company depending on the quantity of goods ordered. Thus, enterprise remuneration intermediary for the creation of a stock of goods. The action must be short-term; otherwise, it may adversely affect future orders. Reimbursement for advertising. The manufacturer requires direct cooperation from the intermediary: placing advertisements on the point of sale, making products of this brand in the advertising documentation, profitable placement of their goods on the trading floor, etc. Stimulation of sales staff Very often the incentives of intermediaries consist in holding a competition in which everyone can win a prize by getting a certain number of points. Points can be earned by acting as an organizer of stimulation events, passing professional retraining or in any other way provided for by the competition. Distribution of samples. This technique allows manufacturers to offer resellers samples that have no commercial value for their personal use. Such samples, distributed free of charge on the occasion of the release into circulation of a new product, give the intermediary the opportunity to evaluate the quality of the product that he will have to sell. Joint actions of manufacturers and intermediaries. These actions are incentive operations, accompanied by games, the direction of "mysterious customers", as well as incentives, addressed to the consumer. They are the fruit of the joint work of specialized agencies, manufacturers and intermediaries. Showcases contests. Contests for the best storefront are organized by manufacturers in the framework of sales promotion and are aimed at maximally profitable to present and place any product in the shop windows for a limited period of time. The most beautiful showcase, decorated with taste, originally and in the best way representing the goods, allows the store owner to receive a cash prize, appointed by the

manufacturer.

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