

North American Management Briefs

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You Should Know...

I Forgot

Up to 6,000 patients a year leave US hospital rooms with surgical sponges, forceps, and other tools mistakenly left inside them reports *USA Today*.

The Point: Good for lawyers, but that's it.

Smuggling People

Smuggling aliens into the US from Mexico is now a \$6.6 billion industry with rates ranging from \$3,000 to \$30,000 per person. They are using stolen Fed-Ex, UPS, and AT&T service trucks.

The Point: Perhaps it can be taxed.

Not Clever

A Wisconsin man tried to return a defective printer to Wal-Mart where store workers found the device jammed with sheets of counterfeit \$100 bills.

The Point: Why return something when you can just print the money yourself?

Interesting to Know

There are 700 horse meat only butcher shops in France reports *The Wall Street Journal*.

The Point: French culture is indeed different.

Where's the Beef?

The European horse meat scandal prompted Iceland's FDA to test a beef pie. No horse meat was found but neither was any beef, just vegetable protein.

The Point: Good if you are a vegan I guess.

April's Quote

"If you don't have confidence, you'll always find a way not to win.

Carl Lewis, Olympic champion

Sales Growth 101

Profitably increasing your sales requires:

- Penetrating new markets
- Introducing new products
- More fully penetrating current markets
- Or all three

The "low hanging fruit" usually involves better penetrating your current markets.

Is there an opportunity to capture additional share of your current markets? Well, yes if:

- You have a market share of less than 50% in units
- There are at least two other competitors of your size or larger
- Your products command a premium price
- Your brand is respected and has equity within a growing market segment

Hopefully you can answer yes to at least two of the above.

The next question is from whom you might capture share.

Generally capturing the share from smaller competitors in markets that are growing quickly is the safest way to prevent a price war. Trying to capture share from larger competitors via price cuts is a recipe for disaster.

First identify the highest growth segments in your current market.

Identifying the fastest growing market segments requires both market research and competitive intelligence.

Don't skimp here or you may focus on the wrong product lines, the wrong markets, or the wrong competitors.

Next differentiate your product offering. By differentiating your products or the services you provide you can capture share without reducing prices and establish a more defensible position.

Lastly, design a channel process to penetrate those markets. Beware if your salespeople say "we are already covering those markets or your distributors say "we cover them very well, you don't need additional channel partners." Both statements serve only to promote the status quo.

Market share initiatives need to be highly focused and require a channel process that is equally focused. If there are large accounts that are underpenetrated (or your distributors are selling them a competitor's products) you need to consider a direct initiative.

If there are fast growing markets that are outside of your distributor's coverage "window" you need additional channel vehicles.

The Point: Capturing market share requires hard analytical work, but it's a process and as such can be rewarding, and very little risk if executed properly.

Top 10 Online Languages

Language	% of Internet Users
English	27.3
Chinese	22.3
Spanish	7.8
Japanese	5
Portuguese	4.2
German	3.8
Arabic	3.5
French	3
Russian	3
Korean	2