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You Should Know...

Be Your Own Boss?

A quaint English village in Yorkshire is being offered for sale by the charitable trust that owns it for \$35 million. It includes 22 houses, 2 blacksmiths, a rectory, and cricket field/pitch.

The Point: Your own kingdom?

Off Message?

A Florida man wearing an "I love my marriage" t-shirt was arrested for allegedly choking his wife and throwing numerous items at her during a fight.

The Point: Don't believe everything you read.

Great for Cobblers

The recession has brought a formerly dying profession, cobbling, back to prosperity. Cobblers are swamped. Jim McFarland of Florida has a backlog of 275 shoe repair jobs, 50% more than last year at this time, reports the *Wall Street Journal*.

The Point: Fixing shoes is easier than fixing your 401K.

To Your Health

Coca-Cola has partnered with a Chinese manufacturer of medicinals to develop soft drinks based on Chinese herbs. The Chinese company's president said the partnership would provide Chinese Coke drinkers with a more "holistic approach" to health.

The Point: The folks at Coke are indeed clever.

June's Quote

"The biggest human temptation is to settle for too little."

Thomas Merton, Monk/author

Capturing Market Share, Part II

Capturing market share is often critical to a company's survival, especially in a recession. This means either:

- Increasing your share of your current market or
- Moving into a new adjacent market

Pursuing either of these options usually requires adjusting your "go to market" process. In the case of moving into new adjacent markets, it means establishing a second and separate distribution channel. This represents a challenge especially for companies with well established "legacy" distribution channels.

Simply put, existing channel partners almost always feel threatened by the appearance of new and/or additional ones, even if the new ones serve an entirely different market. Often their objections cause a manufacturer to "back off" and rationalize that its existing channel partners can penetrate the new adjacent market just as well. This is rarely the case.

The most common mistakes manufacturers make when trying to penetrate a new/additional market are:

- *Believing that their current distributors can do it.* Usually these distributors do not have the contacts, application knowledge, compatible product lines, or the economic motivation to enter a new market.
- *Giving your direct salespeople dual responsibilities.* Asking a salesperson or manufacturers rep to spend 10%, 20%, or 50% of their time on a new market rarely works. They soon realize that it is harder work and less financially rewarding and quickly return to the comfort of their old market.
- *Overestimating your product line.* Yes you may have several products suitable for a new market, but do you have enough to capture channel support?

- *Failing to test.* B2B marketers have been slow to learn what B2C marketers have long known; testing minimizes risk.

- *Fear of selling direct.*

How to enter a new market and still retain distributor loyalty? Conduct a test. In order of priority:

- *Define both the financial and strategic objectives of the test.*
- *Select a location for the test,* ideally a potentially good but under-performing geographic or vertical market.
- *Dedicate resources.* Assign at least one salesperson fulltime to the test. Support him/her with market/application specific technical information and dedicated "in-house" support.
- *Don't surprise anyone.* Tell your current distributors about the test.

The Point: Moving into new adjacent markets is essential in a recession but so is maintaining the loyalty of your current channel partners.

Ten Most Spoken Languages

Language	Speakers (millions)
Chinese (Mandarin)	873
Spanish	322
English	309
Hindi	181
Portuguese	177
Bengali	171
Russian	145
Japanese	122
German	95
Chinese (Wu)	77

Source: Raymond G. Gordon, Jr. ed., "Ethnologue: Languages of the World"