

Part 5 - Manage Developing a Successful Relationship with Distributors:

**How to attain high performing
distributors for your business**

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Part 5: Manage

Now you have engaged your distributors and implemented a plan for the year, it is crucial for you to monitor its progress by managing your distributors. More often than not, companies forget to manage the program which, of course, means their success is frequently sabotaged.

Set the Scene

It is okay to use a very down-to-earth approach to manage your distributors. Formalise the plan in a document - even a simple Excel or word document will do the job; you can use whatever format you want. Once you and the distributor have agreed on the yearly plan, you can simply share the plan with them formally by welcoming them to the program, attaching the actual program, and then setting quarterly performance review parameters from the outset. If you are dealing with the European market, you will need to start working with the distributor from October as a minimum in order for the program to kickoff in January. It is important to note that in Europe everything starts in January. In some sectors it could be as early as September; you will need to determine what timeframe you need to follow in order to be aligned with your industry.

Schedule Performance Reviews

In an ideal world, your distributor would roll out your plan perfectly and everyone would be happy. In reality, you will find that everyone - including you - is caught up in their day-to-day tasks and that the program becomes side-tracked or forgotten. Make a point of planning a strict schedule which includes a monthly informal update regarding how things are going. By following this process you will be able to detect any problems with rolling out the plan. Then, on a quarterly basis, the progress of every element of the plan can be reviewed.

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You're in Control

The beauty of this strategy is that you are in control! You can't control everything in the field, but you now have a simple way of tracking how you are going against your own sales targets. As a result, you can easily measure if the distributor is performing well or not. You now have the information to hand to evaluate if the distributor program is working, or if you need to change or adapt it. Have your targets been unrealistic? Has this leads generation campaign produced the expected results? These are just a few of the questions you can ask yourself to gauge progress.

Managing Distribution

At this point, you have the relevant information to decide whether you need to increase your support to a distributor or, alternatively, whether you will need to add a new distributor in the market. In the worst case scenario, you have the evidence to terminate your relationship with a distributor if things go wrong. For example, you are now aware if your quarterly evaluation of the distributor's key performance indicators shows that they are not putting the necessary effort in. Of course, the first step is to try to find out why; you may then decide to not invest as much time with a distributor or to completely stop dealing with them.

From the information outlined above you should now have a much clearer picture of what a distributors program is all about. The program will give you the tools to visibly assess your sales and indicate to you if you need to change anything in your approach to better support your distributor. It also gives you key information to determine if you need to add or let go of a distributor.

Interested to learn more about developing relationships with European Distributors? Send us an email at: christelle.damiens@exportia.com.au

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