



By Anthony Raissen

Retail Buyers: What You Need to Know!

As we enter the summer months, many products that were launched in DR at the beginning of the year are starting to mature and reach the point of entering the retail channel. This is an exciting time for entrepreneurs and DR marketers as they start pitching the retail store buyers.

Having spent many years on both sides of the table, it has become clear as daylight that the vast majority of new product pitches are nothing more than elaborate presentations, fancy charts and a lot of hot air. Every presentation begins with the same magnanimous statement: “This product is the greatest on the market and

will outsell the current market leader as soon as it is on the shelf.”

Take a step back and run through your presentation in front of a mirror, or better yet, in front of someone who can give you honest

feedback. You don’t want to find yourself stumbling for words as soon as the buyer starts questioning your presentation and rationale.

Remember, the buyer in front of you has seen it all and, most definitely, has heard it all before. Think rationally and ask yourself if anyone would truly present a product and say to the buyer: “This is not really a great product, but I need you to put it in your store.”

The buyer knows why you are there, and has a vested interest in your success if he or she is to bring in the product. Buyers are focused on fact-based selling — not

on hype.

I have spent years listening to buyers’ feedback and comments, as well as dealing with clients who take it personally when a buyer rejects their product. In some cases,

the buyer may be doing them a favor, especially if they have to discontinue the product later on due to poor performance.

Here is what the buyers need you to know before you even think about presenting your product:

- **Research the category.** What is the size of the category? Identify the category leaders — both in unit sales as well as dollar sales. Is your product unique to the category? Compare your packaging configuration to the leaders — in physical size, as well as in number of units per pack, ounces per pack, or pieces per pack.
- **Know the retailer requirements for your specific category.** How much insurance do you need to carry? How many pieces do you need to sell per month in order to meet the retailer minimum requirements for staying on the shelf? What is the slotting fee? What are the retailers’ acceptable terms? Do you need to be EDI compliant?
- **Determine and specify your own requirements.** What is the minimum size order that you will accept? What are your lead times for filling the initial order as well as subsequent orders? Will you be using a retail broker to help you secure distribution? How will you ship product to a retailer — your own trucks, freight consolidators, UPS, others? Will you pay for freight? How much will you invest in advertising? Will you give a retailer an exclusive deal on your product? If so, for how long? What is the shelf life of your product? What payment terms are you willing to accept from a retailer?

If you find the above information overwhelming, remember it is much better to be prepared and informed than to find out during or after a presentation that you did not have the critical facts.

Talking a product to retail is a high-stakes move. If done correctly, the upside is huge. If done incorrectly, the downside could put you out of business. There is no set formula for success. However, the more prepared you are, the better your chances for success. Work with someone who has been there and done it successfully before, and you will greatly enhance your chances of success. ■



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