

Agents and Distributors 101

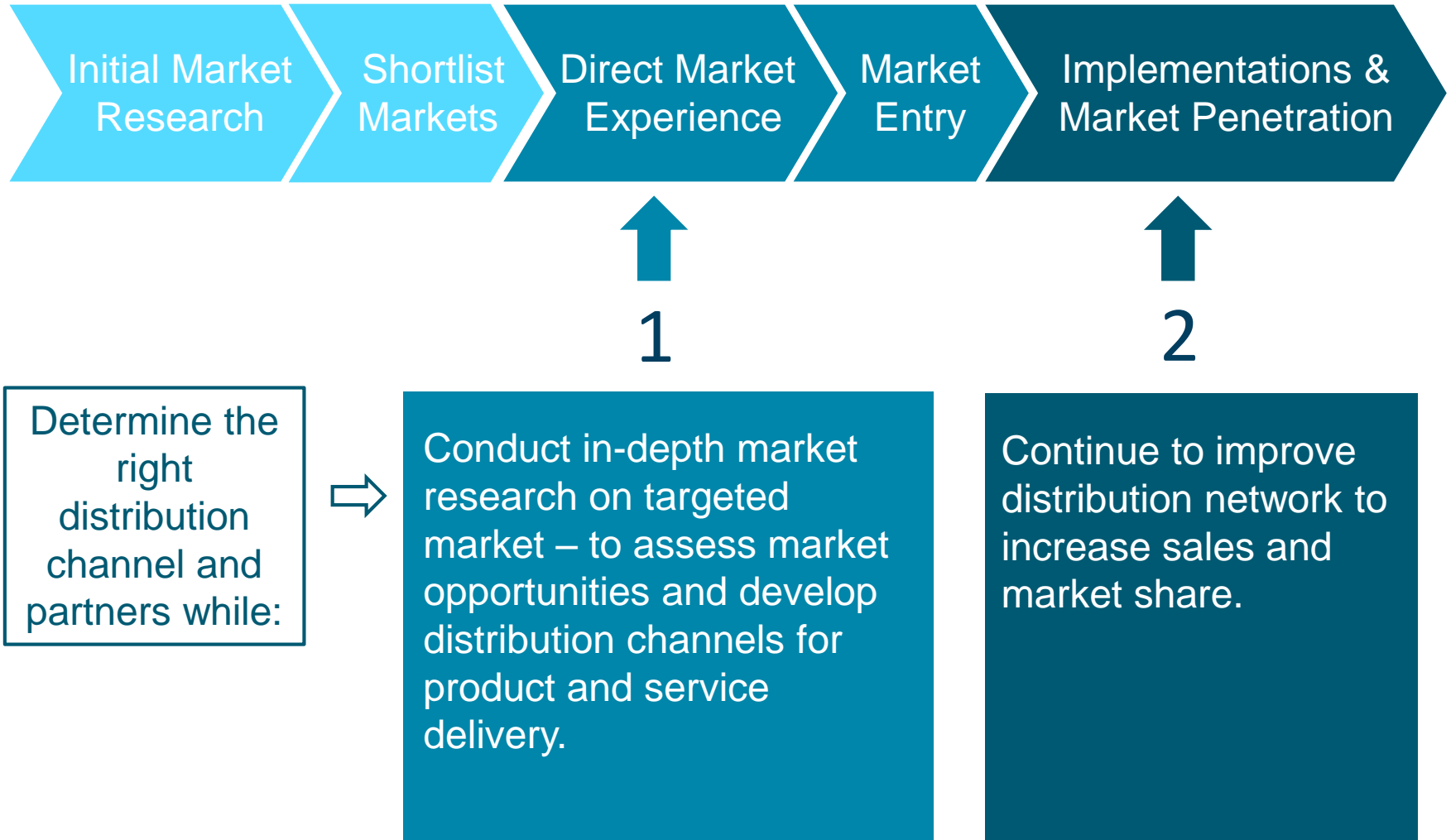
August 2020

■ Agenda

1. Overview
2. Benefits of strong in-market representation
3. Definition of Sales Representatives, Agents and Distributors
4. Agent Vs. Distributor
5. Identify agents and distributors
6. Manage agents and distributors

Overview:

Entering an international market & identifying distribution partners



Benefits of a Strong In-market Representation



Represent your company



Work directly with customers



Access to local knowledge

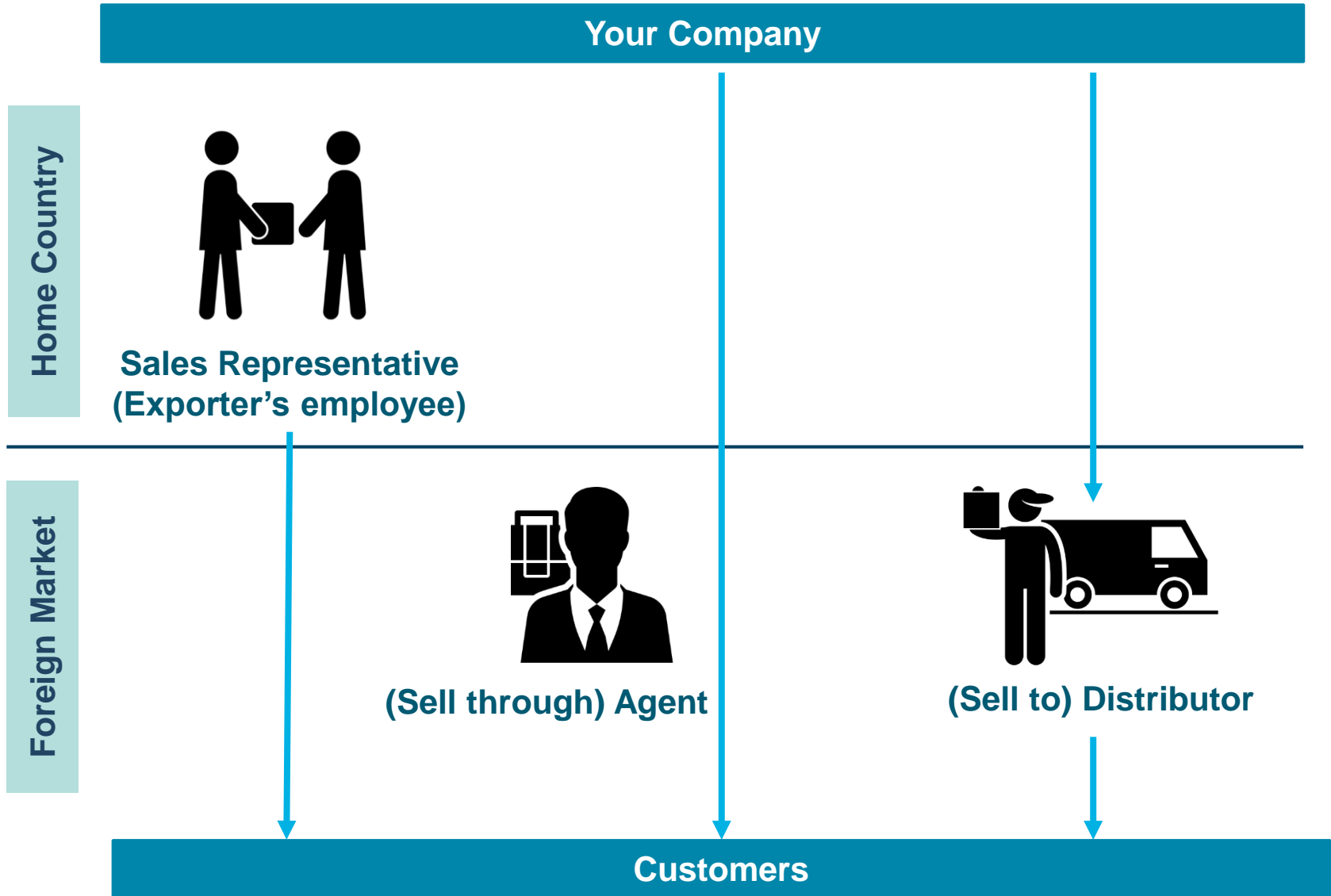


Responsive customer service



Stay current with market trends

Definitions: Exporter's Sales Representative / Agent / Distributor



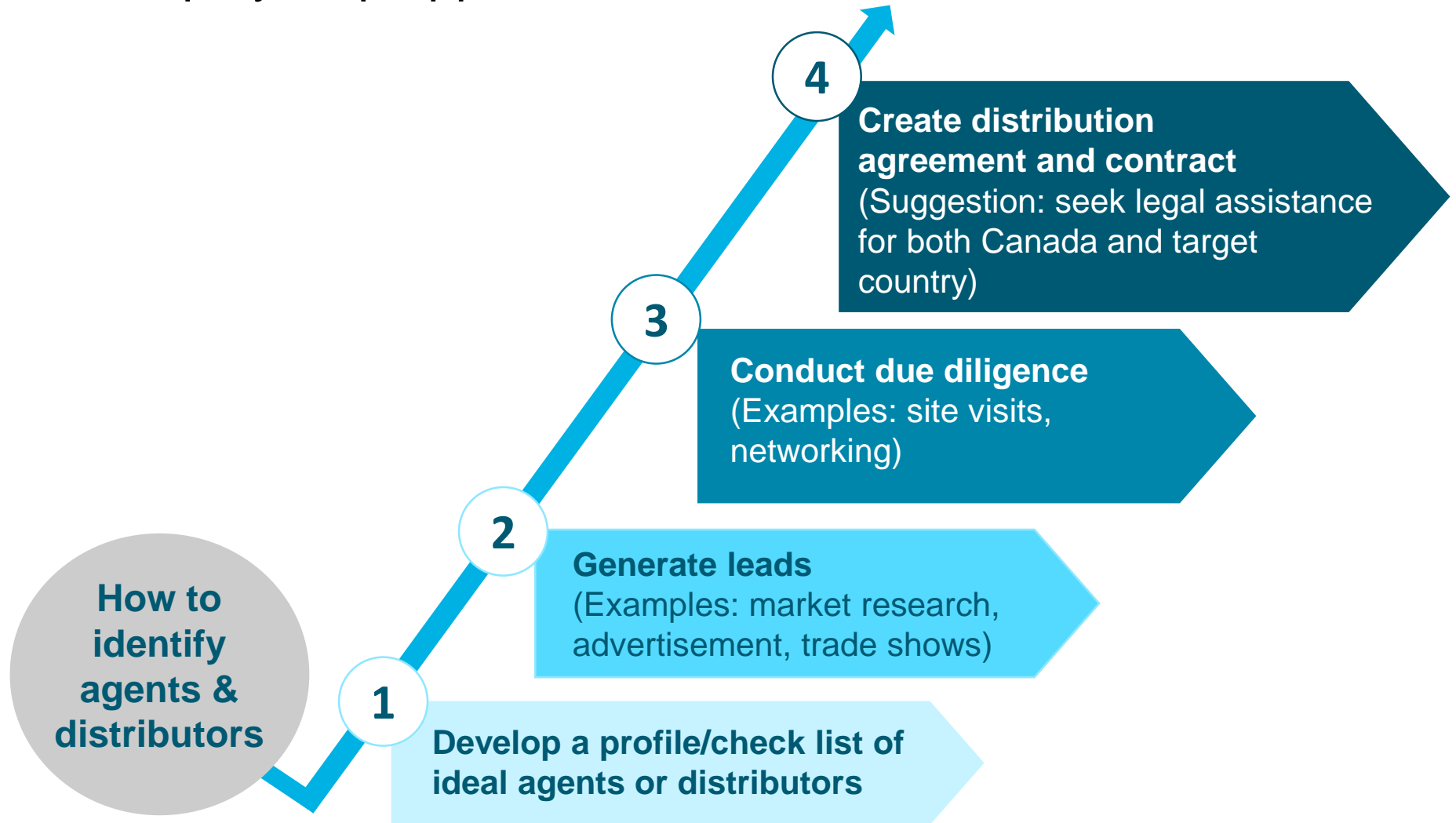
Agent Vs. Distributor

Advantages and disadvantages as In-Market Representation while exporter determines overseas partner

	Agent	Distributor
Definition	Intermediary who has authority to negotiate the sale of goods on behalf of another entity – the supplier / manufacturer (aka the principal).	Business who purchases from exporter, and re-sells to end customers.
Advantages	<ul style="list-style-type: none">• Has more control over agent's activities.• Maintains direct contact with end customers.	<ul style="list-style-type: none">• Can pass on commercial risks to its distributor.• Distributor is more motivated to sell off stocks.
Disadvantages	<ul style="list-style-type: none">• Exporter unable to pass on commercial and financial risks to agent.• Exporter may incur liabilities as a result of the agent's activities.• Agent may not allocate enough effort towards exporter's product if representing too many products.	<ul style="list-style-type: none">• Exporter has limited control over distributor's activities.• Distributor owns the relationship with end customers.• Entire business risks in the territory is concentrated on distributor if under exclusive agreement.

Identify Agents and Distributors in foreign market

A step by step approach



Manage Agents and Distributors in Foreign Markets



Stay in Contact

- Get to know key individuals in the agent/distributor's organization
- Visit market (customer) with agent/distributor regularly



Be Proactive

- Joint sales visits and/or phone calls to customers
- Provide support on producing marketing materials and product brochures in local language

Thank you!