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## Bringing Your Product to Market

**W**eed Eraser. Power Gardn'r. D-Thatch. Never heard of these products? You're not alone. They all made a big splash when they were introduced by major lawn and garden manufacturers, but they all faded just as quickly—relegated by retailers to the return goods authorization (RGA) list.

If a major lawn and garden company with a well-known brand name, a well-paid marketing staff, and a well-funded rollout budget fails to introduce successfully a product to the industry, how can a small- or medium-sized company possibly pull it off? The answer is simple: By following the rules and regulations of the lawn and garden industry, paying attention to the product details, and focusing on your customers.

There is no magical formula to bringing a product to market; nor are there any trade secrets that are hidden from outsiders' eyes. However, just like other industries, the lawn and garden industry has its own rules, protocols, and timelines that you must abide by if you want to succeed. Some of these rules follow common best business practices; others are unique to the lawn and garden industry.

In this chapter I discuss some of the key issues you will have to deal with when you begin your new product introduction process. Increasing your understanding of what is involved in this process will not only help you reduce the risk of taking wrong turns or following the wrong path; it will also help you make more effective business decisions.

- How do I know which trade show to attend or participate in?
- What can I do to be the most effective at a trade show?
- How do I evaluate whether it was worth it to attend a trade show?

## Choosing a Trade Show That's Right for You

Most entrepreneurs start out with a limited budget and a short time frame to get a product off the ground. The problem is that you can choose from more than 180 non-consumer lawn and garden trade shows each year, not counting the State Nursery Association shows. If you wanted to attend all 180 trade shows, you would need more than \$200,000 to cover the cost of the booth space, samples, exhibit material, travel expenses, and booth personnel, not to mention the logistical nightmare of trying to coordinate your schedule and itineraries. Unless you have the funds and personnel to do it all, you must choose which shows you should attend based on your business plan and objectives.

For example, if your goal is to sell only to big box retailers, then attend the few shows that target that market. If your goal is to reach consumers through independent retailers, then target the distributor shows or regional trade-specific shows.

### **DON'T BELIEVE THE HYPE**

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Even if you know who you want to sell to, it will be very difficult to choose which shows to attend, because trade show companies have great marketing people, who will try to convince you that their show is the *only* show you should consider. In addition, you will hear rumors that a particular show is a "must-attend" event from your salespeople, accounts, and competitors. Don't believe the hype. Not every trade show is worth your while. However, be sure to take those shows you do attend seriously. You will spend a lot of time and money preparing for and exhibiting at a show, and for you to come away thinking that one good lead was worth the investment is simply not good enough.

### **Don't Expect to Write Too Many Orders**

Few trade shows provide participants with the opportunities to write a lot of orders at the show. In fact, most orders take place after the trade

show is over, sometimes as much as 12 months later. So if you are not going to write orders at a trade show, how do you decide which shows to participate in?

The following list provides some key pointers that will help you make the right decision about which trade show to attend.

**1. Develop a trade show budget.** This budget should indicate how much money you plan on spending for trade shows and should detail the cost and expenses of attending trade shows. Items to consider in your trade show budget include:

- Product samples, displays, and material that will not be returned or will probably be damaged
- Booth space, furniture, equipment, and trade show signage
- Drayage to the show and back to your warehouse
- Lights, cleaning, and security
- Pre-show mailings and advertising
- Booth give-a-ways, press kits, and trade show discounts
- Travel expenses and entertainment for all staff attending the show
- Miscellaneous costs (typically 10 percent of the basic booth costs)

**2. Write down your reasons for attending a trade show.** Your reasons might include any or all of the following:

- Introducing your new company
- Introducing a new product
- Testing the waters for a new product or idea in a new class of trade
- Presenting new displays or point-of-sale materials
- Meeting up with existing accounts, manufacturer reps, or salespeople
- Reaching buyers who are otherwise inaccessible
- Finding new prospects
- Recruiting or training manufacturer reps or staff
- Supporting distributors or manufacturer representatives
- Maintaining your image and presence

- Obtaining competitive information
  - Gaining market information
  - Looking for new products or product ideas
  - Writing orders or making sales
3. **Prioritize your list of objectives.** Arrange your objectives in order from most to least important, and be as detailed as possible. For example, if one of your goals is to meet with existing accounts or manufacturer representatives, write down the name of the accounts or representatives you want to meet.
4. **Create a list of potential shows for your products.** For example, ask your reps, accounts, or prospects which shows they recommend. Note also that *Nursery Retailer* usually publishes an annual trade show planner in December that gives you all the stats on the largest 15 or 16 lawn and garden shows in the country. The following list has my vote for the best shows to introduce a new lawn and garden product:
- National Lawn and Garden Show (June; location varies)
  - National Hardware Show (May; Las Vegas)
  - Central Environmental Nursery Trade Show (January; Columbus, Ohio)
  - New England Grows Show (February; Boston)
  - International Lawn Garden and Power Equipment Show (September; Louisville)
  - Farwest Show (August; Portland, Oregon)
  - Western Expo (October; Las Vegas)
  - Hardware Co-op Shows: Ace, Tru Serv, Do-it-Best (Fall; locations vary)

There are dozens of other worthwhile shows you could attend. However, it's up to you to do your homework first and then step through the list of trade shows and determine which ones are the best fit for your budget, product, and list of priorities. For example, if you have identified your primary customer as a landscaper, then you would want to start with the landscaper shows or regional shows that draw landscapers such as the California Landscape Contractors Association trade show in Long Beach, California, in February. If your product is organic or appeals to retailers and distributors who focus on

Next, determine where the retailers you have identified as the ones you want to sell to go to buy their products. Do they buy your kind of product direct from manufacturers or do they normally go through distributors? If they go through distributors, ask the prospective retailers who their distributors are. After you have identified the distributors, create your distributor presentation to fit their needs, such as a warehousing allowance, early-order program, spring dating, sales incentives, and quantity discounts. Be sure to include all the retailer information you developed and the consumer program you started with. A distributor needs to have confidence you have developed a strong retailer and consumer program for them to work with.

Finally, find out how distributors hear about products they carry. Are they dealing directly with manufacturers or do they prefer to do business through a manufacturer representative? If they prefer to work with manufacturer representatives, ask them or your retailers about who they would recommend. You can also identify potential candidates who specialize in your chain of distribution at trade shows.

At this point in the game you're almost home free, because you have already identified all the materials you need for your consumers, retailers, and distributors, and have designed and developed the product and your sales materials in accordance with your prospects requirements. All you have left to do is to present your manufacturer representatives the results of all your research and familiarize them with your product and train them how to use your sales materials so that your representative can move your product through each step in the distribution chain and into the hands of consumers.

For a reference of a company that seems to have mastered the art of consumer-based distribution check out MegaGro products by W.A. Industry in Chicago at [www.megagro.com](http://www.megagro.com). I have worked with this company in the past, but they didn't need my help on recognizing that successful product introductions are based on consumers' acceptance of your product. Their whole company is centered around reaching and satisfying the consumer. They designed their products, point-of-purchase material, advertising, promotions, and retailer support programs around getting consumers to buy their products from the retailer.

## **Working with Manufacturer Representatives**

Distributors and retailers often shy away from new vendors because they don't have confidence in a new vendor's ability to do business

with them without making costly mistakes. They realize the vendor has the desire but not the knowledge to make it work. They just don't want to be part of a vendor's learning curve.

For this reason, distributors and retailers prefer to do business with manufacturer representatives. They know that manufacturer representatives understand their business and are familiar with the prerequisites to do business with them.

## **Understanding the Role of Manufacturer Reps**

Manufacturer representatives play a key role in getting your product from your warehouse into the hands of consumers. You can think of manufacturer representatives as a professional freelance sales force. Of course, you could employ your own sales force—provided that you have sufficient resources. A good regional sales manager in the lawn and garden industry makes a salary of \$70,000 to \$80,000 per year. When you add benefits, incentives, and travel expenses, the figure jumps to about \$100,000 to \$110,000 per year. A national sales manager averages about 30 percent more than a regional sales manager. Most lawn and garden companies don't have the resources in place to make this kind of investment when introducing a new product.

A manufacturer representative, by contrast, requires much less initial overhead in the product-building process. Although you give up a certain amount of control because a manufacturer representative not only works for you but also for other companies, if you look at and treat this person as both an investment in your future and a tool to help you maneuver through the chain of distribution, you will be amazed at how much a manufacturer representative will contribute to your success.

## **Don't Expect a Miracle Worker**

Don't expect your manufacturer representatives to work miracles. If their performance doesn't meet your expectations, it's more often than not your fault not theirs. Manufacturer representatives are professional salespeople, who have unique knowledge of their areas of expertise, accounts, and prospects. If you are disappointed in a manufacturer representative's performance, it's your fault because...

- You hired the wrong person or agency. Not all representatives or agencies are good at selling all products to all accounts. It is up to you to find out where your products should be and

then go through a thorough due diligence process to find the representative or agency you need to call on the accounts you want.

- You didn't give your representative or agency the tools they need to sell your product. Remember, manufacturer representatives are professional salespeople, but they still need the right tools to do their jobs. The most important tool is information.

To kick off the relationship with your manufacturer representatives in a manner that will give you the best chance at a successful long-term relationship, you must provide them with the following information:

- An overview of your products, including benefits, features, and what makes them unique
- Honest competitive information and positioning
- Current and upcoming promotions, special packs, rebates, incentives, advertising, special displays, or point-of-purchase materials
- A list of the trade shows you will be attending or exhibiting in
- Selling material, sell sheets, price lists, line art, photos of displays, and copies of ads
- A copy of your company policy, including terms, conditions, freight, minimum order, pallet counts, truckload counts, discounts, lead-time, and product warranties

Up front, your representatives also need the following vital company and contact information:

- Official company name to be used in correspondence
- Mailing address for communication
- Mailing address to send orders to
- Phone number to provide to retailers
- List of active distributors and accounts
- List of leads and prospects and copies of your correspondence with them
- Fax number to provide to retailers, distributors and accounts
- Representative main contact person, including title, phone number, fax number, e-mail address, and cell phone number

- FOB shipping point
- Day-to-day contact for order status, phone number, e-mail, account credit status, and phone number

### **DON'T MAKE THESE COMMON MISTAKES**

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Last year I surveyed 14 lawn and garden manufacturer representative agencies and asked them, "What is the most common mistake manufacturers make when introducing a new product or launching a new program." All 14 agencies had similar answers to my question. They all stated that manufacturers were not prepared to sell their new product or program and that they came to market missing some or most of the basic launch components. The most common offenses mentioned were lack of sell sheets, unfinished packaging that changed at a later date, prices that were not firm, ship dates that were not accurate, incomplete programs, or the manufacturer did not study the market prior to the launch.

Note that when manufacturer representatives get the feeling that you are unprepared, they lose confidence in you and your business and become hesitant to put their name or company on the line until they are convinced that you can back up your claims.

The following list summarizes what a manufacturer representative expects from a manufacturer—you might call these items the basic rules of engagement:

- Provide adequate, professional, and timely sales material.
- Provide up-to-date and accurate price lists.
- Provide clearly defined terms and conditions of sale.
- Provide press releases, advertisements, and letters of recommendation or commendations from consumers and retailers.
- Provide training on how to sell a specific product. You can train in-person or in a manner that fits your representative or the representative's agency.
- Participate in trade shows or regional events that help support the representative's business.
- Respond quickly to requests for information or material
- Communicate, communicate, communicate.



Here is what you can expect from your manufacturer rep:

- Call on and present products to a specific list of accounts and prospects.
- Seek out new prospects and present products.
- Sell in your product.
- Advise you frequently of the responses to sales calls.
- Inform you of market conditions and competitive activity.
- Stay in close contact with the major accounts in the rep's area.
- Communicate, communicate, communicate.

The previous information is but a summary of what manufacturers can expect of their representatives and vice versa. However, just because a manufacturer hires a representative or agency to sell his or her products doesn't mean the manufacturer's selling and marketing job is done and the rest is up to the representative.

In another survey of manufacturer reps I learned that a rep needs to generate at least \$100,000 in commissions to make a meager living. Out of the \$100,000 the rep has to pay travel expenses, auto expenses, trade show expenses, office expenses, insurances, and the burden of other normal self-employed expenses prior to keeping whatever is left for themselves and family. If you pay your reps a yearly commission of \$5,000, they can only afford to give you 5 percent of their time, not the 100 percent you would like. If you want them to pioneer a product or line, you are asking them to take a big risk even though they know their future is in the success of new products.

## Conducting Sales Meetings

If you plan on having a sales meeting with your manufacturer representatives or other salespeople, be sure you are well-prepared for the meeting and that you have *at least one very good reason* for having the meeting. A sales meeting that is not well thought out and does not take place for the right reason or reasons is not only a costly waste of your and your salespeople's time, but it also creates a negative image of you and your company.

Prior to deciding on whether or not to have a meeting write down your specific objectives for having the meeting and answer the following questions: