

The Distribution Network: How To Create A Distribution
Strategy for Your Mafia Offer

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Dear Reader,

Take a look around you?

What do you think, is the common denominator of huge, very successful businesses, aside their products?

Yes, it's **DISTRIBUTION**.

HEre are a few examples.

Beer manufacturing companies have 100s of dealers who then in turn supply to and sell to thousands of bars, food joints and shops.

Cadbury has hundreds of distributors who in turn sell to thousands of retail shops who themselves sell to tens of thousands of street kiosks.

Dangote Cement has hundreds of dealers who in turn sell thousands of retailers in the smaller towns and also directly.

And on and on. Just spend an hour looking at any huge company you fancy and you'll see it's their distribution network that is responsible for their humongous amounts of sales.

So how does this concern you?

If you currently run a business and you want to make A LOT of money at it, then you MUST figure out a way to get DISTRIBUTION.

Without DISTRIBUTION, you will remain small, even struggle.

And I don't mean just going on there to pay for and run advertisements.

Distribution is far more than that.

If you run advertising that works, and there's no way to DISTRIBUTE your product or service, you will fail.

Period.

What ways to distribute your product? Other ways that are cheaper. Other ways that EVEN MAKE YOU MORE MONEY.

You're in luck because there are!

Here's a list:

1. Consultants/Associates

How do the world's biggest banks, law firms, consulting companies and service organizations distribute their products?

They go to the world's top schools, hire the best students, give them fat salaries, a house, a car, an expense account, performance bonuses on the business they bring in and sometimes stock ownership, then they unleash them on the market.

These young guys then call, swim, fly, walk to meet and do whatever it takes to bring in business for their companies., many times worth ten, hundreds or even billions of dollars.

I first learnt about this when I heard about a company called *Boston Consulting Group (BCG)* is a global management consulting firm and then *Bain & Company*, a company that started after some of BCG's employees broke away.

Hiring people as employees and giving them all the support they need to go out and do marketing for your business is a great way to create distribution if your business model fits the profile.

2. Affiliates

Affiliate marketing is the practice of promoting the products or services of another person or company in exchange for a commission on the resulting sale.

Affiliate marketers join affiliate programs, find reputable affiliate products to promote, and then share those products with their audiences.

Everybody is probably familiar with this method of distribution.

To use this method of distribution, you need to have your company list its products and/or services on an existing affiliate network or set-up one in-house.

It can be expensive to set up one in-house though, and it requires hiring people or a firm with an extensive knowledge of programming languages, coding and server networks.

3. Franchise

Franchising is based on a marketing concept which can be adopted by an organization as a strategy for business expansion.

Where implemented, a franchisor licenses its know-how, procedures, intellectual property, use of its business model, brand, and rights to sell its branded products and

services to a franchisee.

This is done under strict rules of compliance to ensure quality, taste and avoid brand dilution.

If you have enjoyed a slice of *Dominos Pizza*, a piece of crunchy *KFC* chicken or ate a morsel of Krispy Kreme Donuts, anywhere in the world, you mostly likely bought it from a Franchise.

With franchising, you can also assign specific territories to different franchisees, and even better, you still get to control the businesses you license your brand name and strategy to.

You make the rules and they follow.

Franchising is a great concept used extensively in the food and pharmaceutical retail industry.

4. Private Labelling

Private label products are those manufactured by one company for sale under another company's brand. They are available in a wide range of industries from food to cosmetics.

Private label brands managed solely by a retailer for sale in a specific chain of stores are called store brands.

For example, when you walk into a Shoprite mall and you see Shoprite sale sachets, they are private labeled in their name by an originating manufacturer to be sold exclusively in only Shoprite stores.

Companies that private label are usually focused on manufacturing, produce goods and services for end distributors and retailers.

They are often positioned as lower-cost alternatives to regional, national or international brands, although recently some private label brands have been positioned as "premium" brands to compete with existing "name" brands.

Another example of this is of wineries in Europe and South Africa. A handful of them produce almost all of the wine sold in malls in African countries.

Such brands are generally less expensive than national brands, as the retailer can optimize the production to suit consumer demand and reduce advertising costs.

You too can private-label your product . You produce, in their own name, for other people who don't have the technical know-how and they buy from you, ensuring guaranteed sales.

5. Retail Agents

Another great way to distribute your product is allow small entrepreneurs to open up small retail shops using your brand name in exchange for a commission on sales.

Our clients, 1960BET, NairaBET and EbonyBET, and others used this method of distribution to reach the nook and crannies of the countries they operate in, even into places without potable water or electricity.

6. Sales Reps

This is a very popular method of distribution, where companies set up a multi-layered system of rewards and incentives for sales people.

These people are set up in business for themselves by investing a small sum of money to start and a recurring each month which covers the cost of products delivered to them which they can resell for higher, while still encouraged to bring in other people for a percentage of the fees those referrals pay.

We see this done by network marketing companies and real estate companies in the country and elsewhere.

7. Turnkey boxes

A turnkey business is a business that is ready to use, existing in a condition that allows for immediate operation - a “business in a box”.

In this case, a successful business model is already in place, and the products or services have been defined and proven, so the startup phase is complete. The phrase "turnkey" is meant to imply that little work is required by the buyer other than opening the door to customers and good customer service.

The product or service is then leased or sold to an individual to run as his/her own venture, so in

This is a model of product/service distribution I am excited about as I can see how popular it can become locally.

I learnt about it while studying Dan Kennedy’s (one of the world best marketing minds) work where he did a case study of a client of his, *Gold by the Inch*.

They started a business where they sold “made to order” customized gold chains and bracelets to people by planting themselves in front of a busy jal.

They were modestly successful but desired to make more money from their one location.



Then they met Dan Kennedy.

Dan advised them to package their expertise into a “start your own business” box which comprises of the offer below:

1. The large 3 foot by 27" GOLD BY THE INCH SIGN is even more striking than this picture can show. It is made of glossy black leather-look Naugahyde with metallic gold lettering. This draws crowds!

2. 24 different chain styles --- each roll you see in the picture has a different "style" of chain on it. For a close-up look at these different styles, turn to pages 2, 3 and 4 of the catalog. What does this variety do? It gets your customers involved in picking out their favorites...deciding which style or styles to buy, not whether or not to buy! This is sometimes called "choice selling," "option selling", or "alternative choice merchandising," and it really works!

3. The GOLD BY THE INCH CONCEPT itself is super-powerful. If you go to a department store or jewelry store or just about anywhere else as a customer, you can't get chain "made to order" --- you have to settle for standard sizes. However, most women aren't perfectly matched with these standard sizes! I can't tell you how many times I've had a customer tell me: *This is the first time in my life I've gotten a bracelet that really fits right!* People get really excited about getting neck chains just the right length for their height or to wear with a particular outfit.....about getting bracelet and anklets that fit just right! This is our, your "unique factor."

4. Our LIFETIME GUARANTEE. You'll see it on the sign at the left side of the display, on the front of the catalog. This Guarantee is from us, U.S. Gold, to your customer. You give a written guarantee with each chain. It costs you nothing! But it gives your customer complete confidence and peace of mind. The finish does not "rub off." The wearer's skin doesn't "turn green." It's better than a lot of chain selling in department and jewelry stores for competitive or even higher prices. That's why we have no problem guaranteeing it. That LIFETIME GUARANTEE SIGN will sell a lot of jewelry for you, too!

5. THE BEAUTIFUL BLACK VELVET, REVOLVING GOLD CHARM DISPLAY. See it on top of the spools of gold chain? For a closer look, turn to page 6 of the catalog. This revolving unit displays 200 charms! For you it's a fantastic money-maker. Our Distributors find that there's a charm sold with every third or fourth chain! These charms cost you only \$1.75 each---yet you sell them for up to \$10! Incredible? Yes, but true!

6. When you also add the FILIGREE GOLD RING DISPLAY, the FASHION RING DISPLAY, and the SPECIAL GOLD BRACELET DISPLAY, just as the front page photograph shows, you've set yourself up with a complete jewelry store --- in just a few feet of space!!! And, our Distributors find that they sell one of these "extras" to about 30% of their customers.

They also gave you for free, a DVD explaining how to do all of the marketing the way they did it in their location.

You can watch their full 30 minute show advertising the opportunity here:

https://www.youtube.com/watch?v=5eRSu2H8_ss

8. Dealers

Dealers are a way for big manufacturers who do not want to private label their products to do distribution.

It is mostly used by fast moving consumer goods (FMCG) companies.

So they build a distributor network, who they advance good to, sometimes for a small part payment, and sometimes on credit, and then get paid the balance later.

These dealers then in turn resell to retailers who then go on to distribute it everywhere else.

It works really well with products that generate very small margins but which are sold in numbers.

This is the hardest way to seek distribution, especially if you are a start up because existing distributors want to see your product already has wide market acceptance, and

9. The internet

We of this generation of entrepreneurs are lucky. We have been given the gift of the internet,

The internet gives you access to distribution in ways you can't even imagine - if you know how to work it.

And knowing how to work it means you need to know how to run adverts.

I have spent billions of naira over the years running adverts for our clients and they have made tens of

billions, even climbing into the hundreds, all online.

It's incredible the power in this thing we laugh on, chat on and largely take for granted.

If you master advertising, you will possess the ultimate money-doubling skill a business owner can ever have.

You put in \$1 and you get \$2, \$3, \$4, even as much as \$10 back in many cases.

If you want your business to grow, then you **MUST** take advertising **SERIOUS**.

You must learn how to showcase your goods to the world, so that you can sell as much of it as possible.

And there are hundreds of platforms where you can create distribution online.

There is...

- Google
- Youtube
- Facebook

These are the big three. Then there is...

- Instagram
- Twitter
- Pinterest
- PPV networks
- Native Advertising networks (Taboola, Outbrain, etc)
- Porn networks (TrafficJunky, TrafficFactory, etc)
- Sitescout
- Mobile ad networks (InMobi, AdMob, etc)
- Blogs
- Social media influencers
- etc.

Basically platforms that command a lot of eyeballs.
And there are literally HUNDREDS of them.

But you start with the BIG three and then scale outwards to the others.

That's how you distribute online.