The GDC is hosted by Practical Action, alongside implementing partners Hystra and BoP Innovation Center.

Turning crisis into opportunity for last mile distributors

7th August 2020

www.globaldistributorscollective.org
**Why are we here today?**

<table>
<thead>
<tr>
<th>GDC survey (May/June)</th>
<th>EnDev survey (July/Aug)</th>
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<tbody>
<tr>
<td>71% of GDC members reported experiencing reduced sales</td>
<td>43% of distributors reported being in hibernation mode</td>
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<td>14% told us they had ceased operating altogether</td>
<td>74% unable to survive for more than two months without funding</td>
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Why are we here today?

- Shifting from how the pandemic is currently affecting GDC members to learning lessons for the future

- There will always be challenges to the LMD sector: how can we find and capitalise on opportunity in the midst of uncertainty?

- Today we’ll hear from key players on what they’ve learned, how they’ve adapted and how they will ensure lessons from COVID inform and strengthen their activities moving forwards
What can you expect from today?

- Each and every member on today’s call will be able to **take away** and **implement** at least one lesson.

Top tips from experts on:
- Capitalising on customer referrals
- Strengthening team communications
- Diversifying your sales channels
- Integrating digital
Our panellists

Gaurav Mehta  
Dharma Life

Matheus Garutti  
Danone Kiteiras

Lieselotte Heederik  
Nazava Water Filters

Scott Roy  
Whitten & Roy Partnership
KETEIRAS ONE PAGER…

- Inclusive distribution
- Entrepreneurship
- Women’s empowerment
- Health and nutrition

11m BRL injected by 4450 beneficiaries in 2019

Locations: Ceará, Bahia, São Paulo, Espírito Santo, Rio de Janeiro
COVID LESSONS LEARNED so far…

*** COMMUNICATION AND ITS IMPORTANT IMPLICIT MESSAGES ***

• COVID-19 & THE AVALANCHE OF NEWS: What and whom to trust?
  • THEIR NEEDS ARE OURS AS WELL: Kiteiras community. Together as one.
  • STAY CONNECTED, STAY CLOSE: Online activity & engagement.
COVID LESSONS LEARNED so far…

*** COMMUNICATION AND ITS IMPORTANT IMPLICIT MESSAGES ***

• +300 people joining in Kiteira’s group on Facebook (From 1.700 to 2.000)

• Back on track on sales performance (growth vs 2019)

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<th>MÊS</th>
<th>Janeiro</th>
<th>Fevereiro</th>
<th>Março</th>
<th>Abril</th>
<th>Maio</th>
<th>Junho</th>
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<tbody>
<tr>
<td>2020</td>
<td>21%</td>
<td>-5%</td>
<td>-17%</td>
<td>9%</td>
<td>13%</td>
<td>31%</td>
</tr>
<tr>
<td>vs 2019</td>
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THANK YOU !!

matheus.garutti@danone.com
Long-Lasting change to our Business model because of COVID-19

Nazava Water Filters
Lieselotte Heederik
lisa@nazava.com
1. Diversification of sales channels

Suddenly we were happy that we did not 100% focus on one sales channel.

1. Face to face marketing went down which meant we could not do group sales anymore.
2. We could still tap into supporting our informal reseller channel.
3. We relocated resources to online sales channel.
2. Long distance sales training became suddenly possible

1. Before COVID our staff and resellers were reluctant to do online meetings.
2. COVID broke down the mental blocks and now we can train resellers all of the giant Indonesian archipelago
3. We hope we can continue in the future so we can save time and money on travelling.
4. We use whatever platform our client likes e.g. google meets, skype, zoom.
3. Referral sales through phone mixed success

- Do you think your live is easier with a nazava water filter? 100 % yes
- Do you think a nazava helps to protect the health of your family? 100 % Yes
- Do you think friend and family would be helped if they would own a Nazava water filter as well 63 % yes (20 % maybe)
- I have good news, because I can offer a 10% discount if you order more products for relatives, friends or others. And if you buy 4 products, we give 1 free product. What option do you like more 10% discount or buy 4 get 1 free? Only 12 % names one of the options.
Results = Attitude + Competence + Execution
COVID-19 stress on sales teams:

**ATTITUDE**
- Anxiety
- Fear of surviving
- Distraction
- Impossibility
- Overwhelm

**COMPETENCE**
- No prospects
- Selling remotely
- “Convincing”
- Cost objections
- Remote managing

**EXECUTION**
- Loss of focus
- Disruption of routine
- Lack of tools needed
- Lack of connectivity
- Idleness
But what if…

**New customer conversion rate:**
5-20%

**Repeat customers conversion rate:**
60 - 70%

*Marketing Metrics (Paul Farris)*

**Referred customers conversion rate:**
50 - 70 %

**The gap in generating Repeat business:**
60 - 80%

*Satisfied* customers do not do more business with the company that initially satisfied them mostly because lack of connection with company or agent.

*Bain & Co.*

**The gap in generating Referrals:**
91%

*Satisfied* customers say they’d give referrals. Only 11% of salespeople ask for them.

*Brevet Group*
Before and after COVID-19

Treat a sale as a transaction
Inconsistent comm with customer
Incentivize customers to give referrals
Allow salespeople to "roam"
Undervalue referrals and repeat business

Treat a sale as a new relationship
Comms strategy
Train agents to expect referrals
Penetrate the territories where you sell
Educate re: referrals and repeat biz
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Thank you

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