

# International Channel Management

## 30 Considerations (before you engage)



1. Start with a partnership mind-set.
2. But your partnership mind-set has to be matched by the distributor's.
3. They should have some familiarity with the American business mind-set and customs.
4. They should be well established in their markets and eager to grow their businesses.
5. Your product or service must fill a niche for them, and they must clearly understand the growth potential which you represent for their company.
6. Never. NEVER agree to an exclusive out of the gate,
7. NEVER work with a distributor if you sense their embrace of your product is defensive (to keep others from poaching their main business by exploiting a gap in their offerings!)
8. You are potentially liable for FCPA violations by this group – make sure you know who they are personally and are comfortable with their conduct!
9. Check for a synergy in philosophy
10. Are they comfortable working as a team player in complex system projects if that is your approach? Do their other products have a similar sales cycle?
11. Are they willing to teach you about their market without using every difference as an excuse?
12. Will they invest in travel to your facility and appropriate stock/demo requirements?
13. Start with clear mutual expectations for metrics they can control.
14. Set an aggressive travel schedule and keep it.
15. Focus on demand creation to keep you busy with meetings during your visits.
16. Setting early expectations for activity will create momentum.
17. Treat them like partners.
18. Keep them informed and solicit their opinion.
19. Let them observe you being equally demanding of yourself as of them.
20. Be accountable to them as you expect them to be to you.
21. Support their local marketing by having them contribute to localized materials and jointly invest in them.
22. Share success from other markets that will prompt new ideas and projects, and that will forestall common excuses for disappointing performance.
23. Bring them to your office for a well-planned worthwhile business event every year.
24. Travel to the US is a source of pride for many foreign business people, and collaboration among your distributors and loyalty to your company and brand will accrue huge long term value to your international business.
25. Speak early and often about frustrations or problems.
26. Don't be angry – be straightforward.
27. Create plans jointly to address concerns. And if they fail, move on.
28. Always keep your eyes and ears open for other potential distributors.
29. You should always be upgrading, and replacing your bottom performers (when the performance is attributable to them) on a rotating basis.
30. It's your business – run it like one internationally, just as you do at home.



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