

Distribution Strategies: Health & Fitness Industry

The Challenge

As a manufacturer of Fitness Equipment & Health Products, your Dealers are vital to the success of your business. Frequently, Manufacturers depend upon their Dealers to educate, deliver, service, install and maintain larger equipment. However, they may not have the capacity or customer demand to carry all of your products and parts, all of the time, nor can they be available to every customer, on demand.

Consumers are becoming increasingly reliant upon the convenience of the internet for researching and buying products. In today's environment, the online consumer expects a direct relationship with manufacturers but also wants an offline "real person" resource.

Retail sales online are expected to grow at an average rate of 15% per year between 2004 and 2010, to reach \$331 Billion, when the Internet will account for 13% of all retail sales, according to leading analyst Forrester Research. Ignoring consumer demand and not selling online will eventually translate into lost revenues and profitability.

Referring online customers to Dealers often results in defection of that customer to a competitive brand and always results in a loss of brand experience and control. Allowing Dealers to sell online diminishes your brand and provides a high potential for price degradation.

Your challenge is to meet consumer needs and wants, when and how they wish, offering 24/7 online ordering in such a manner so as to build relationships between your Dealers and consumers, while preventing customer defection, securing the sale, protecting your brand and its perceived value without encroaching on Dealer profitability.

The Solution

Reshare Corporation offers Distribution Relationship Management™ (DRM) for eCommerce. It is a patented software solution that allows a manufacturer to sell its products directly from its website WITHOUT alienating its existing distribution/retail channel partners. Reshare acts as a third-party that is invisible to the consumer. Reshare applies your existing business rules from the offline world

(e.g. percentage commission of manufacturer reps and markup of Dealers) to online sales.

To support the relationship between your Dealers and their customers, customers are required to identify their Dealer at some point in their online experience. Depending upon your preferences, this may be upon entering your website, browsing products, adding products to a shopping cart, or at check out. The identified Dealer profits from the sale, retains "ownership" of the customer, and serves as the customer's resource for order-related customer service questions/issues. The Dealer may provide delivery, installation, assembly, maintenance, repairs and return services, depending upon the equipment involved.

Similarly, new customers are prompted to select a Dealer based upon your business rules. This may be geographic, territorial, by product line, partner performance (or lack thereof), service abilities, inventory levels, and the like. Reshare allows you to maximize your revenue stream while redirecting sales & marketing costs to more lucrative ends. Your Dealers enjoy additional revenues and improved efficiency. You have complete control of how products are branded, presented, marketed and sold.

Reshare develops cohesive strategies to build a sustainable competitive advantage for you and your channel partners. By acting as an impartial party who processes payments and provides reporting to all channel partners, Reshare ensures that trust is established up and down the distribution chain.

Patented Software

Reshare offers the only patented (US# 6,594,641 and foreign countries) software that enables you to:

- Sell direct to consumers and share revenues with Dealers
- Enable consumers to locate and select an appropriate Dealer
- Credibly demonstrate fairness to Dealers
- Maintain existing relationships between Dealers and the consumer

Additional Benefits

- Increase market share
- Target baby boomers with disposable income
- Improve cashflow and reduce bad debt through credit card sales
- Enable all Dealers to offer all of your inventory 24/7
- Provide increased customer satisfaction by meeting consumer demands when and how they wish them to be met
- Provide 24/7 ordering for consumers AND Dealer buyers
- Assure local Dealer service, support and warranty coverage.
- Gain access to invaluable consumer information to enhance market research and product development strategies within your specific target market
- Reduce non-performing inventory and overstock
- Up-sell and cross-sell YOUR branded products
- Expand the geographic reach for your products and your Dealers
- Reduce delivery time, shipping costs and handling on special or custom orders
- Increase field sales staff productivity by enabling them to spend more time educating instead of order taking
- Leverage power and recognition of your brand for you and your Dealers
- Thwart online discounters and other grey market goods suppliers by providing consumers with an authentic purchasing experience.

Preventing Customer Defections

Customer Defections attack profitability. Lack of inventory or availability, and presentation of competitive merchandise (e.g. online/offline partner referral) often causes defection. By offering partners and brand-seekers product on the brand website, costly defections are avoided. A Harvard University study shows that by retaining just five percent of your customers, profits rise by no less than twenty-five percent. Direct online sales with Distribution Relationship Management can help you to grow the long-term value of your partners and customers.

Multi-Channel Shoppers Spend More

Multi-channel shoppers spend more than single channel shoppers. By way of example, last December the average single channel shopper spent \$591, the multi-channel shopper spent \$995. This translates into additional sales for you both online and off.

Internet & Channel Experience

Reshare® is the leading Distribution Relationship Management™ (DRM) software and strategy company with the only patented DRM solution that enables manufacturers and brand owners to sell online directly to end users without circumventing their valuable channel partners. With over 20 years of online experience across a multitude of industries, our software and strategies resolve channel conflict, guarantee complete brand control and enhance relationships between all channel partners and end users while increasing revenue, market share and profitability.

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