

# FMCG SALES MANAGEMENT CRASH COURSE

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*Distributor  
Management – Key  
points*

INVESTMENT

## Stocks

- Standard
  - Measure
  - Deviation
  - Correction
- Maintain minimum floor stock level. Book stock order for distributor as per floor stock norms. Stock out is crime.
  - Avoid out of stock situation of any pack at any given time.
  - Out of stock.
  - Faulty distribution.
  - Loss of consumer sale.
  - Losing to competition.
  - Loss of morale.
  - Correct the stock order booking.
  - Check and rectify the orders, stock receipts, pending orders Etc.
  - Check the dispatch intervals.

## Claims

- Standard
  - Measure
  - Deviation
  - Correction
- Write and send the claims for reimbursement in time. It reduces the investment and increases the profitability.
  - Prepare claims proper way with claim numbers, details, approval details, dates of operation Etc.
  - Spend promotional budgets in time.
  - Collect damage stocks in time from market and make replacements. Prepare damage stock claims immediately.
  - More investment in the form of claims.
  - More investment in the form of damage or defective stocks.
  - Explain the distributor or salesman how to prepare damage claims, how to prepare trade promotion claims, how to prepare cash discount claims, how to prepare secondary sales schemes and primary sales schemes Etc.
  - Follow up for the claims reimbursements.

## Market Credit

- Standard
  - Measure
  - Deviation
  - Correction
- Spread the credit to maximum number of outlets.
  - Credit should be equal to frequency of distribution.
  - Constant stock pressure.
  - Availability and visibility of stocks in all outlets.
  - Inadequate stocking and low stock pressure.
  - Low stock pressure leading to competition.
  - Identify credit worthiness of outlet
  - Check retailer cards or records to know purchase history.
  - Monitor payment on daily basis from big buyers.

# Infrastructure

## Distribution

- Standard
  - Follow the frequency of coverage strictly.
  - Stock the units well and stop delivery.
  - Adequate stocks and all skus in units.
  - Make an ideal call.
  - Equitable distribution.
  - Make first call on time.
  - Use POP material wisely.
  - Collect competition information from market.
- Measure
  - Create trade confidence.
  - Sell the range.
  - Displays and shelving in all the outlets.
  - Manage the time.
  -
- Deviation
  - Rejection of stocks.
  - Resentment of trade.
  - Giving to competition.
  - Ignorance of potential outlets.
  - Poor quality callage.
  - Loss of consumer awareness and trail.
  - Inadequate stock pressure.
  - Loss of consumer off take.
- Correction
  - Use of retailer cards.
  - Check daily sales and stock register.
  - Check market reactions and trade response.
  - Discuss with distributor and prepare time bound plan.

## Space

- Standard
  - Adequate warehouse apace.
  - Proper stacking of stocks.
  - Damage and defective stocks kept separately.
  - Keep promotion stocks separately.
- Measure
  - Avoid damages.
  - Provide easy accessibility.
  - Avoid mix ups.
- Deviation
  - Unsalable products conditions.

- Correction
  - Mixing up the stocks.
  - Carry over POPs
  - Carry over damages.
  - Discuss with distributor for adequate space, warehouse.
  - Develop time bound plan for implementation.

## Personnel

- Standard
  - Regular, efficient and adequate.
  - Special team for merchandising and other promotional activities.
  - Knowledge of trade and sales.
- Measure
  - Regular distribution.
  - Rapport with the trade.
  - Training time to time.
- Deviation
  - Loss of sale.
  - Poor selling techniques.
  - Wrong entries.
  - Poor merchandising.
  - Underutilization of resources.
  - Trade complaints.
- Correction
  - Retailer cards.
  - Rapport with trade.
  - Sharp eye to see the competition.
  - Time bound action plan for on the job and off the job training.

# Involvement

## Records & Reports

- Standard
  - Complete and fill all the records in time. Eg, daily, weekly , monthly reports, stock reports, promotions reports, claims, special reports, expense statements Etc.
- Measure
  - Achievement of targets.
  - Study of sales pattern.
  - Avoid delays in giving or getting information.
- Deviation
  - Loss of time.
  - Delay in reporting.
  - Incorrect pictures.
- Correction
  - Check records and match figures.
  - Educate distributor and his salesmen.
  - Train them in handling various records and reports.

## Personnel Involvement

- Standard
  - Market visit regularly.
- Measure
  - Check service and distribution, availability and visibility.
  - Relation with trade.
  - Market knowledge.
- Deviation
  - Out of stock with trade.
  - Ignorance of working difficulties.
  - Loss of control on performance.
- Correction
  - Follow up.
  - Discuss with distributor and prepare a plan of action.

## Return on investment

- Standard
  - Study ROI regularly.
- Measure
  - Know if distributor is making reasonable profit or not in your business.
  - Sustain interest in your business.
  - Analyze and formulate action plan.
- Deviation
  - Ignorance of ROI
- Correction
  - ROI by various heads.
  - Check expenses and see the increase.
  - Take corrective plan.
  - Discuss and implement.

# Coverage

## ABC analysis

- Standard
- Measure
- Deviation
- Correction
- All outlets to be classified based on purchasing power.
- Better utilization of time.
- Sustain interest.
- Wastage of time.
- Loss of callage and co ordination
- Classification of all outlets.

## Extension of coverage

- Standard
- Measure
- Deviation
- Correction
- More number of outlets under coverage.
- Reduce dependency on selected outlets and wholesalers.
- Availability of stocks with large number of outlets.
- Decrease in coverage.
- Loss of sale.
- Strong but few outlets
- Survey new outlets.
- Do retail mapping.
- Get the competition coverage details.
- Put new outlets on regular coverage.
- Make new beats/ localities with new outlets.

## Training & Development- Distributor salesmen

- Standard
- Measure
- Deviation
- Correction
- On the job training.
- Off the job training.
- Training courses and topics.
- Ensure better understanding.
- To build better rapport.
- Half knowledge or in efficiency or casual working leads to loss of sale.
- Point out distribution gaps.
- Encourage initiative and develop positive attitudes.
- To constantly train on the job and off the job.
- Recommending for training course.