

Taking a Product Into the Retail Channel

Situation

A large provider in the service industry wanted to utilize the technology associated with their core service to develop a product that could be sold in the retail channel. This company had historically used direct to consumer methodologies for selling their services (inbound and outbound telemarketing, direct mail). The new endeavor required the development of a go-to-market plan, the creation of a sales network and the development of capabilities in the areas of physical product distribution (order entry, invoicing, warehousing, distribution, collection, etc.).

Solution

DHC played a key role in this endeavor and was asked to assist the company in each of the areas identified as key needs.

1. Go to Market Plan
2. Creation of Selling Expertise
3. Development of Logistics Capabilities

Go-to-Market Plan: DHC conducted an assessment of the opportunities (distribution and revenue) associated with pursuing various classes of trade as well as determining which retail partners to target. DHC also assisted in the development of the marketing strategy, the trade/marketing support plan and the in-store merchandising plans.

Sales: DHC assumed responsibility for helping the client determine the optimum type of sales organization to meet their needs (direct vs. broker) and for developing all aspects of the creation of the sales force. A broker sales force was recommended, leading DHC to further assist the client in such areas as:

- Broker selection
- Broker Management recruitment, interviewing, selection recommendations and training
- Policy and procedure development
- Broker and Broker Management compensation plan
- Back office reporting

Logistics: DHC took the leadership role in the development of the core logistics capabilities necessary to support this product including the creation and development of systems to handle order entry, inventory management and product allocation. DHC also assisted the client in the development of the processes and capabilities necessary to physically distribute the product.

Results

Within six months of DHC's engagement, the client moved from start-up to a fully functioning sales organization that reached \$80 million in year one revenue.