

HOW TO DEVELOP A WORLDWIDE DISTRIBUTOR NETWORK

When you select a product, your choice should be based upon your knowledge of how and to whom you're going to sell it. You may have the greatest bargain in the world, but it will be of no value to you if you don't know who's going to buy it, or how you are going to get the word out about it.

The first rule to achievement of a fortune is to produce or buy your product for pennies and sell for dollars. So after preliminary market research to determine who will buy your product, the next question to answer is: How much will the majority of this market be willing to pay for your product?

For the sake of our discussion, let's say that you've written a "How-To" manual on how to make \$100,000 a year compiling and selling mailing lists. You check with a number of printers and get a production cost of \$1.50 per book in lots of 1,000. You figure that with sharp advertising, you can "sell a million" of these books at \$10 per copy, but that advertising will cost you \$1.50 per book. Thus far, the basic cost of your book is \$3 per copy.

Even though you will probably be the one selling most of your books, you must realize that it will take you an awfully long time to move out a million copies of this book. It will keep you busy 25 hours a day, 8 days a week to do it all by yourself. So the thing to do is recruit as many other people as you can to help do the selling. This means setting up a dealer distributor network.

To do this, you must make it worthwhile for other people to sell your product. You offer a percentage of the sales price on each book they sell for you. Generally, this is about 50% for each single copy sold; 60% when purchased in quantity lots of 25 to 99 copies; and 75% when purchased in lots of 100 copies or more. The important thing is to shave your profits to a minimum when you have other people doing the work for you.

Let's use, then, our example of a \$10 book that costs you \$1.50 to produce in lots of 1,000. For people who buy from you in lots of 100 copies, you could cut your profit to \$1 per book, sell it to them for \$2.50 per book, and let them do all the advertising, as well as the selling. Don't offer more than 50% on single copy dropship sales, because you'll have to furnish this type of dealer with selling materials, and continue to do most of the advertising yourself.

Setting up your distributor program will require advertising

and a sales kit for the sellers. Thus, you should make up a series of "Dealers Wanted" ads and place them in as many different publications as you can.

The national "opportunity" magazines are the best place to place your advertising for dealers. Remember, the ad should be a call for dealers, distributors and independent extra income seekers. Do not try to sell your product in this ad. Use it only to enlist or recruit people to sell for you. Remember too, the more you run your dealers wanted ad, and the more different publications you run it in, the more people you'll get to sell your product for you. The easiest way to go is with "Dealers Wanted" advertisements in as many worldwide publications as possible.

You'll lose your shirt attempting to recruit sales people via direct mail, and you'll never make any headway with just a "Dealers Wanted insert" in each book you sell. If you want sales people, you must advertise for them.

To actually get these interested opportunity seekers to sell your product for you, you'll need a dynamic sales letter and seller's kit to send out in response to the replies to your advertising. This kind of sales letter is usually four pages in length, printed on 11 by 17 inch paper, and then folded in half, book style. But if it takes 10 or more pages to sell the prospect on the idea of selling for you, use the amount of space and paper that's necessary.

In addition to your sales letter, you should have at least three camera-ready ads the opportunity seeker can use to advertise your product. These should include a classified ad, a one-inch display ad, and a larger 2-column by 3-inch ad with blank spaces for him to insert his own name and address. You should also include at least one full-page camera ready circular he can use as an "original" in ordering printing of his own direct mail circulars.

If you've written your sales letter properly, that's all there is to it. Some people charge an "up-front" dealers registration fee. We don't recommend this, for a number of reasons - mainly because it immediately eliminates a great many people who might want to at least try to sell the product for you, but are not willing to "pay" to sell for you.

Some sellers charge \$1 to \$5 for details and complete dealership set-up to offset the cost of the initial seller's kit and postage. This is what we recommend at the start. If you offer you program for nothing, you'll get as many responses from curiosity seekers and opportunity collectors as from bona fide prospects.

If you charge for the dealership set-up, you should include a sample of your product. For the more elaborate sales kits and expensive products, most people ask for a deposit, which is refunded after a certain number of sales are made by the dealer. Any charges more than \$5 should not be mentioned in your "Dealers Wanted" advertisements, but held over and fully explained in your sales letter.

This is how you set up a dealer/distributor network: Get other people to sell your product for you! You can, and should be prepared from the start, before you place your first dealers wanted ad, and proceed only as you can afford the advertising costs from the profits of sales of your product.

It's simple, and it's easy, and, it can make you rich! You had to have real interest to have ordered this report. We hope that it has motivated you with the entrepreneurial spirit, and that you act on it!