



Growing in Business (Manual)

Distributor Vs. Dealer

By: Firas Mazloum, ceo

> March-2013 V.1.0



1.0 Introduction

Dear Global Partners,

Smart-Group Vision is to Help spread the Know how to all, and Give knowledge to enhance the speed and accuracy of Growing each Individual to Build His own Business, and Help built Businesses to Grow in Size, power and Resources.

Experience Need Time, and Time consumes Resources.

We are trying to save you Time by Summarizing the Experience in order for you to apply and grow.

It shall cover points like the following:

- a) Employee, Dealer then Distributor process
- b) Dealer vs. Distributor Reality and Illusions
- c) How to Grow your B2B
- d) Examples to Attract By Industry

To Grow in Business you Need To Understand Basics First..

2.0 Understanding Employee, Dealer & Distributor:

2.1 Employee, The Start of Employment:

When we graduate from school we usually Search for a job.

Advise: (Search for the Job that gives you Experience, Rather than Job that gives you Money) Why? Experience Lasts, Money Fly

2.1,1 Accurate Targets Vs. fake Targets in Tangible Life on Earth:

Many People do not Believe.. Time will make them All believe the Rules of Life,
If you are smart must understand that Precious Things are not Tangible and those are priceless.

Priceless Good Targets: (These are the 3 capitals that have net worth)

- 1- **Health** (If you are not healthy, no Taste of Life, and you would Pay all what you collected and own to get Health Back)
- 2- Freedom and Peace of Mind (if you are in Jail or if you are haunted then you can never Relax, and cannot Produce.. same like Dead)



3- Knowledge and Experience (They can take from you everything you thought was yours. They can take your Freedom, Life, family, Money, home, health.. Etc. But cannot suck out your Knowledge then once you Change Land you can rebuild all with knowledge.

Never Make the Money as Main Target, remember that all humans are born without any Money, and then they leave what they collected behind and die.

(Money on Earth did not Increase nor Decrease)

Use Money as a Good Tool: (Pay Dues to Others, Build with it, Help People). Ask your self first: What did you do with your Health, Brains, Power, & Geld.

2.1.2 Understanding Employee hidden Dream:

No Matter how ambitious or not any employee is, but everyone dreams to be the Boss. Assuming the Boss is the Rich man, the Relaxed man, and the Important or famous Man.

Employees do not understand that Boss to reach that as a (Father) had to do all these:

- Taking responsibility
- Helping and Solving Problems
- Planning, Judging and Dividing fairly according to Policy
- Teaching and Growing Employees to become bosses for the future
- Scarifying Vacation, Weekends and sometimes even Holidays and after Office Hours to grow business to reach secure stable, growth.

In general life practice.. Unless very rare cases:

There is no real Young Boss with stability with an age less than 35 years.

(Boss require: Wisdom & Ease in Youth flames)

2.2 Dealer/Installer:

Dealer is Technical Person that gained barely enough experience, and is looking to move fast and ready to take his own Risk as entrepreneur. Dealers Usually Work on Business to Client basis (B2C).

To grow from Employee to Dealer level you need Drives:

- 1- Ready For Responsibility
- 2- Ready for Extra Free Work
- 3- Greed for Profit
- 4- Dream of Empire



- 5- Dream of Better System and more Success:
 - a. Must Have Policy enforced
 - b. Must Write and document and communicate
 - c. Must Take care of Details and Client Needs
 - d. Must Have Accurate & swift Liability Release Policy
- 6- Opening Job Opportunities for Others
- 7- Challenge or personal Revenge

(Usually the Dealer Installer is like A Small Child that wants everything for Himself and not ready to share)

2.2.1 Dealer Do and Don't:

We must understand that dealers are like children, they do not know, yet they think they Know.

They Do Like:

- a- Best Price (without understanding why)
- b- Fast Delivery (They want it now for their client that also wanted it Urgent)
- c- Best Product and easiest cheapest Installation
- d- Exclusivity (so they Guarantee that No one else compete with them in the price they planned)
- e- Announcement on Websites ++ (To Feel Big)

They Don't Like:

- a- To Do efforts to Promote nor Specify
- b- Share Pipeline, Forecast nor Wait for FIFO
- c- Train Others on How to Do (like to Keep the Know how contained)
- d- To Brand and Make the source known so no one would go behind them (They assume this way is More clever)

2.3 Distributor / Technology:

Distributor is the Investor banker that either has been a dealer earlier, or is interested in technology and Have vision of B2B Operation. To succeed must act as Father that is ready to Grow, Teach and Share. But Being an Investment Maker and knowing that Capital is always shy and coward such status to flourish requires availability of Market Demand, and patience by such Investor.

Distributor Must Understand that technology can grow to become fast consumer good if planted accurately. And this is where we are going to explain mainly in this document.

Real Distributor is a King once He Plants Many Trees in His farm land. And They Start to Give Fruits.



3.0 Dealer Vs. Distributor Reality and Illusion

Many Dealers think it is much better to Deal Direct with Clients and not create competition by introducing to other businesses..

Dealer Illusions:

- a) Dealer Think making 100% profit is Bigger Than Distributor 10% profit
- b) Dealer Think it is More Powerful to Deal With End User as Decision maker
- c) Dealer think it is Dangerous to Introduce and Train Other Dealers that will compete and conflict with him in market
- d) Dealer Think if He Keep Client Money in His bank it will make him stronger (This is Liability)
- e) Dealer Think if He does the Project Him Self then it adds to His Name and Fame
- f) Dealer Think that if many Clients Just Visit His Project then He will get Many More Leads
- g) Dealer Think that He will Sign allot of maintenance contracts and Have Stable Business

Reality for Dealer:

- a) Making 100% looks like 100% profit, but Dealer forget that His Manpower Expenses and Time span of the Project makes His Profits as Thin as 10% or even Lesser. (Dealer Must not Forget that there is minimum of 12 Months after Hand Over worth of Support also)
- b) It is More In-slavery to serve clients needs Day and Night 24/7. A businessman must Choose:
 - I- To Serve the Elite and Live with the masses
 - II- To Sell to the Masses and Live with the Elite
- c) No One benefits from small Monopoly, But everyone benefit from fast Moving Products and can relax once it grows in volumes.. (But that cannot happen by working alone)
- d) Money Fly Fast, and Depreciates Fast, technology Changes also fast, Best Practice for Dealer is to Get Rid of Liability by Ordering for Client and delivering to Him all his Products ASAP.
- e) If Many Installers, Consultants, Distributors Have Installed the Product in many Places in Short Time, that is the Best Reference and Gives bigger Name and Fame as a Team against Other Brand Teams. (Dealer must Understand the Reality and How customers think: Customer like not to be the only Victim, he like to see many others took the Decision before him then he will Join)
- f) Clients Visiting Project do not Really Regenerate Leads for Dealer unless he keeps good Relation with Client on Personal semi Monthly Visits and Keep Pumping the client with Many ideas and dreams. (Client will not accept that others would be like him unless he loves to help you more than his selfishness to be the one and only)
- g) This alone will reverse the Target of Point (f) above. Once you demand Money form Client for Maintenance, then he will talk bad about you, and warn others that such system require lots of



Running cost. This will scare many not to sign for technology solution. (Capital is always Coward). From Experience, in residential sector, less than 3% would be willing to sign Maintenance contracts for their Home Systems.

4.0 How to Grow to B2B:

To grow to the Level of B2B, (The Golden Egg Lay Level) you need many criteria:

- 1- Must have Patience
- 2- Must Have Vision and confidence in technology selected
- 3- Must Have Resources (Money, Meeting Time, Facility, Style)
- 4- Must not be Greedy, selfish, nor dishonest

To Grow the Business, FACE to FACE Meetings must take Place, and the following Must Be explained clear and fast:

- a- Current Situation of Dealer
- b- How to Up-sell and Make More cash
- c- System Minimal unique Features, How to Use and how to select parts in design
- d- Your Promised Support and Deliverables
- e- Execution Steps and Time span 9road map)

4.1 Why B2B?:

B2B is for Future relaxation, Income Continuity, and Peace of Mind. (This is Trading while Installation is only Serving)

There are Many Benefits of Growing up to B2B level like:

- 1- If B2C client require Many Visits and Many Alteration, and Lots of Convincing that will use not less than 3 weeks until they sign and pay deposit. B2B would require much less number of Visits but might consume more time like B2C depending on the Sector.
- 2- Once B2B is Established, it requires swift support and continuous Communication almost weekly with the Other Business in charge until first project is Concluded, the second Project is started, and the Third Project is secured for the Dealer then it becomes standard for them and no need for Too much Account maintenance once all his Engineers and tech staff are used to your Gear.
- 3- Usually Any Dealer that Deal with Client's Projects Must Sign and follow in Pipeline not less than 10 more Projects per year to survive and call it a business. This Gives the Distributor B2B Continuity and fast Spreading of Knowhow to all customers through his Dealers Network Allies without sweat.
- 4- The Distributor usually gets cash on Delivery of Boxes smoothly, while Dealer is the one that must follow client day and Night to collect Dues and listen to many excuses, absorb humiliation.



5- To Convince the Dealer to introduce your product into his in hand projects would not make him lose anything tangible, and would give Dealer more opportunity to make more profit while his current running costs are maintained the same for that project he is already installing for.

5.0 Examples of B2B Industries To Attract:

First we shall list some Industries related to Home and Office or Lifestyle Automation, then will show idea how to convince them by showing them the Benefits.

5.1 List of Suggested B2B Industries (Dealers /installer Network):

- a- Electrical Contractors
- b- Central Air-conditioning Suppliers / Installers
- c- Audio Installers
- d- Lighting Fixtures Suppliers (Shops)
- e- Main Contractors
- f- Freelance Electricians, and small electrical shops
- g- Luxury Kitchen Suppliers/ fitters
- h- Interior finishes Contractors
- i- System Integrators
- j- IT Companies
- k- Security and Telecom Installers

5.2 List of Suggested B2B Industries (Recommendation Network):

- I- Interior Designers
- m- Furniture Show rooms
- n- Audio Video Equipment Sales Shops
- o- Curtain Installers Shops
- p- Special Showrooms like (Mirror TV, Custom Theater Installers ++)
- q- Universities and Training institutes
- r- Engineering Consultants
- s- Energy Comities and Communities

5.3 List of Suggested B2B Industries (Investment Network):

- a- Mass Real Estate Developer
- b- Bankers
- c- Insurance companies



5.4 List of Suggested B2B Industries (Manufacturers Network):

- d- Audio Systems manufacturers
- e- Automation Systems Manufacturers
- f- Lighting Control manufacturers
- g- Software Developers
- h- Other Related AV and LC Controls Manufacturers

6.0 How To Attract By Industry:

Most important is to show and clarify the Benefits (what is In it for them) because this is the base for any B2B relationship.

6.1 How to Attract (Dealers /installer Network):

Reference to the List in 5,1 above, here are some of the Attract Benifits

6.1.1 Electrical and Main and interior finishes Contractors:

- a- If Job Already in hand, that means:
 - i. No Extra Expenditure
 - ii- No Extra Manpower
 - iii- Chance for Make More income from Same Project (Up sell)
 - iv- Up gradation of Staff and company Status
- b- For new Job it helps:
 - i. Get the Job faster being High tech company that Can suggest better solutions
 - ii. Lesser Need for materials Wiring, Chipping, Conduits, Back boxes up to 40% less (More Savings in standard Needs)
 - iii. Faster Execution Time for Mass Projects up to 25% faster
 - iv. Better Profit margins preference

6.1.2 Central Air Conditioning Suppliers/ Installers:

It helps upgrade this Industry to sell faster and with higher Profit Margins because:

- 1- Introduce Elegant fascia changeable Thermostat (DDP)
- 2- Improve the Flexibility to control up to 9 FCU/AHU from any Slave Thermostat enabled DDP unit.
- 3- Introduce hand held IR Remote Controllable Thermostat
- 4- Introduce iphone/Android wifi and PC Controllable System



6.1.3 Audio and BGM System Suppliers/Installers:

It helps upgrade this Industry to sell faster and with higher Profit Margins because:

- a- Introduce Elegant fascia changeable Volume and Source Controls (DDP)
- b- Multi Zone Distributed Audio up to 6000 Zones with Multi Sources
- c- Easy Scheduling, Alerting and control by iphone/Android
- d- Integrated to Public announcement or PBX announcement, or Fire Evacuation System.
- e- Easy Wiring, Easy Installation, and flexible control abilities
- f- Latest technology Image

6.1.4 Lighting Shops and Electrical SHops:

It helps upgrade this Industry to sell More Items with higher Profit Margins because:

- i- Introduce New Product for Lighting Control
- j- Replace Normal Switches by Elegant Switches
- k- Sell advanced Control technology by HH. Remote control and iphone
- I- Sell matching Modern Sockets and power or wire line outlets

6.1.5 <u>Luxury Kitchens Suppliers/ Installers & System Integrators:</u>

It helps upgrade this Industry to sell faster and with higher Profit Margins because:

- a- Introduces Easy modern technology
- b- Easy to Install and Integrate Lighting, and mood/Scene system
- c- Elegant and Advanced Distributed multi room Audio System
- d- Control of Gas valves, Water valves, and Safety at Home
- e- Energy Saving and Cost Saving
- f- Pnp Simple wiring complete solution

6.1.6 IT Companies and Security/Telecom Installers:

First we have to talk about the problem:

- IT, Security & Telecom companies are facing lots of Challenge because:
- 1- Most of clients Today Purchase ready assembled Branded PCs and laptops
- 2- Most of clients buy and self install their own wifi routers
- 3- Most of client install their own security and antivirus software by download
- 4- Most of clients prefer GSM over having PABX's
- 5- The margins today in security, cctv and normal PABX are minimal due to high competition and low demand.



Accordingly, Introducing the Smart-G4 Automation idea to assist these fully techno savvy and ready companies to make business and profits from both existing and new clientele by introducing the following new concept solutions:

- a- Automated Presentation/Meeting or Board Room
- b- Smart Energy Efficient Office
- c- Responsive flexibly controlled Working Environment

6.2 How to Attract (Recommendation Network):

Reference to the List in 5.2 above, here are some of the Attract Benefits

6.2.1 Interior Designers, Consultants & Furniture showrooms, AV Equipment Sales:

The Dealing here is win/win to all. They have to recommend the Job to you and the client making a Link between all, and show the client the Devise demo in their shop, accordingly the following parties will all be happy:

- a- Shop Will take Percentage for Sales Lead
- b- Installer that will be forwarded the Lead will make installation Profit
- c- Client will be Happy to Have latest technology
- d- Distributor is Moving Stock and enhancing Network communication

6.2.2 <u>Curtain installers & Special Equipment Showroom:</u>

This will be direct supply only where the shop installer will do the needed:

1- Shop Will Add the Equipment to His sales Needs and sell

6.2.3 <u>Energy Committees, Universities, Training Institutes, and Gov. Org.:</u>

Such Infrastructure Organizations care about future technologies, and environment also they cater to many Decision makers and legislators thus are very important in the future Network expandability either as profit or nonprofit based. They Can Benefit as:

- a- Introduce Latest technology to Engineers and future decision makers
- b- Make short courses with awareness and Certification
- c- Add to the Syllabus Labs, and Graduation / Competition Projects
- d- Help Educate about Waste Less System Mentality
- e- Create green and Energy Efficient Offices, schools and Structures



6.3 How to Attract (Investment Network):

Such Network consists of the following:

6.3.1 Mass Real Estate Developers:

Such Investors can benefit as following:

- a- Save Construction money where cost of none smart and smart are very near
- b- Save on Project MEP Wiring Execution Time about 25%
- c- Add value to the Property
- d- Gain Green and Energy Saving Leed status
- e- Gain SmartHome Publicity for future Homes
- f- Sell Project faster without giving Discounts (Replace Discount by Automation Added value)
- g- Stand away From Competition that are selling Normal homes

6.3.2 Bankers and Insurance Company:

Such Investors can benefit as following:

- 1- Better Collateral In Case of payment Default
- 2- Higher Premium
- 3- Lower Resale Risk
- 4- More secure and Safer Home/ Building.

6.4 How to Attract (Manufacturers Network):

It is Important and Good Investment in Time to Create such alliance that will benefit all parties to grow larger and faster in volumes based on saving of Development and Marketing time and resources, using existing available ready Network of the Manufacturers to deploy OEM/ODM products where all parties save and benefit, and while customer get variety and more awareness.

These all above are some of the important steps that help make the Industry and Products under Fast Moving Consumer Goods Category Soon.