

Interview with Supplier

Supplier: Sandeep Dixit (A city Distributor, Jaipur)

Interviewer: Mayank Sharma

Ques 1:

How many retailers do you have for supplying products which are used in daily lives?

The products I supply are mostly daily use only. I have divided the supply in parts, as different types of products have to be supplied at different levels, some have daily customers and some have monthly, like I supply TV Remotes, Electric Trimmers, and some Car Accessories too. As of now, I am fortunately having a large number of retailers, or you may even say that I supply these things to most of the retailers in the northern part of the city (Jaipur).

Ques 2:

May I ask you what specific strategies do you use to gain clients and then also hold them for a long period of time?

Every supplier will tell you that they are a better choice for you than their competitors because of some unique advantages. But for such advantages to be a reason for choosing a certain supplier, they should have some positive impact on your organization's "bottom line." For example, "better quality" is nice, but the supplier (and you) should be able to translate better quality into monetary value.

Ques 3:

There is a new product going to be launched in the market, it is called "TraxiT". It is designed to be used as a tracker for finding things which people generally forget in a hurry like keys, wallets, hand bags, etc by using Bluetooth Technology. What do you think about the demand the product will be having?

Whenever there is a new kind of product launched in the market, I can even bet, there is no one more excited than me. I grab these opportunities. Public is always happy to welcome new products that may reduce their work. The product you mentioned seems like that only. I too got excited reading about TraxiT. Even I forget my things when

leaving for work in a hurry. I think this product will have a decent amount of sales in the starting and as more and more people will get to know about it, the sales will increase. As it is an electronic product, I will suggest you contact me for selling it as I am in deal with many retailers selling these things.

Ques 4:

What price do you think retailers would get ready to pay you for our Product “TraxiT”, keeping in mind that its production cost is around Rs.200?

What I have experienced in my 5 years of career in this business is that you cannot expect large amounts of profits in the beginning for such products. Retailers will slowly and steadily introduce the product to the actual customers and when the customers are in love with the product and are really eager to purchase it for their use. Therefore, I think MRP cannot be more than Rs.320 or Rs.340 in the beginning. Later when the product is having more demand, you can increase it to Rs.400 or maybe even Rs.450 I guess.

Ques 5:

If TraxiT comes into the market today and if you are given a contract to distribute it, how much supply initially will you require in the city? How many products should the organisation provide you in the first deal?

What I reckon is that there are around 25 retailers that will agree to sell the product in the area I supply, so initially, not more than 500 products would be necessary.

Ques 6:

Lastly, I would like to ask you what challenges you face in your business because of the Digital Age and moreover pandemic, when shops are not allowed to be even open for more than 4 hours a day?

Yes, Online Shopping has a boom and also this pandemic has helped it more but you see sometimes it depends on the population and sometimes even the nature of the product. Some people do not trust online stores and there are products which cannot be provided online. The product mentioned here has a dual advantage; it can be sold in both ways, online as well as in stores. This will play a key role in your product's supply and initial returns that you will get.