

USA SURVIVAL GUIDE THE TOP 10 TIPS TO CRACK THE US MARKET

Overview of a superpower

Let's remember that the US is as big as the area that goes from Portugal to Russia where fierce competition exists. **We do not know a brand that would not like to have a presence in the USA!**

In this huge market of 330 million inhabitants, the clothing industry represents more than \$170 billion in sales. Of this sum, more than \$100 billion is womenswear and imports represent 50% of this volume, coming mainly from China, Mexico and SEA.

This point shows that the US consumer is not so concerned about the country of origin of the goods. Accidentally, it is compulsory to mention the country of origin on the label.

The US consumer will be more anxious to buy a well-known brand with high market visibility, which explains the paramount importance of advertising.

However, there are so many niche markets that you can easily build a growing business up to \$1M before you face greater or fierce competition.

When you decide to sell your goods in the US, you will be approaching several markets and not just one. You will be selling to various markets and each of these markets will have its individual development strategy.

A bridge sportswear company was able to reach revenues of \$3 million solely in the Chicago area.

An importer in Los Angeles was able to achieve the same results with another sportswear company selling exclusively to the Korean community.

On the very big number front, a partner of ours identified a new opportunity in the moderate market for a brand dedicated to aspirational snowboarders, surfers & skaters. He defined and had a completely new brand designed. He brought the right management to execute the sales and marketing strategies and in 3 years got \$150M in equivalent retail sales!

How to sell your goods in the USA

When selling in the US, you will face a complex and varied distribution system dealing with such key players as department stores, chain stores, specialty boutiques and discount stores.

We all agree that these various types of stores represent an attractive clientele.

Just imagine the upside for you if you are selling to up to 30/50 or 70+ doors such as Printemps, Galeries Lafayette, Lane Crawford or Selfridges. However, don't be one of those exporters who easily complain that these stores do not pay their invoices on time or produce too many debit notes – often not justified.

You can expect these difficulties to grow 2 or 10-fold when selling your goods in the US

market if you refuse to learn, listen and implement the American way of doing business! You must therefore ensure that you strictly respect what buyers want and specifically the routing guide provided by the Department Stores.

In conclusion, it pays to approach the US market with a real strategy and a realistic action plan together with the human and financial resources required to get your project to succeed. You must be willing to work step by step as well as to be willing to optimize all the elements of the supply chain and the sales cycle.

Finally, you must have a clear understanding of your product and price positioning and its differentiating factors.

In the US, you must think and work as an American. Think globally or regionally but act locally.

The US is open to all Brands, small or large, unknown, or well known.

Good luck!

Now, let's focus on the 10 tips you need to have top of mind.

The US Market is THE market where anybody can succeed. You can easily build up a \$1M business but the questions are

1. Did you get there quickly? Or maybe not at all?
2. Did you get there without any problem?
3. Did you lose money and/or time? Do you know why?



Many dreadful stories are true. Get the inside story and we are confident that you will realise that the brands who failed or got delayed success decided to never learnt the basics, nor did they decide to build strong foundations from the start.

Tip 1: Execution

Ideas are great only if they are well executed. Make sure you have competent staff or experts joining you. Be ready to be challenged and ready to look at new ideas and new ways to do things. You need US experts by your side.

Tip 2: Holistic

Having a holistic approach is critical. You can have one expert or several experts, but your success means you must understand and master **Product Management / Sales/ Marketing/ Logistics/ Duty and Optimization / Credit Management/ PR ...**

Over 50% of the time, brands could save 10/15% on transport cost if they were to think outside the box and not only ship each individual boutique by a courier company. They could also save 30 to 50% on duty and could easily increase sales by 30 to 50% (if not double or triple sales) if they took into account the seasonality and work on more than 2 collections a year.

We saved a Brand over \$5000 within 10 mins of our meeting as we were waiting for the last director to join the meeting. They only had to show us the invoices received by their freight forwarder.

Tip 3: Have a truly nationwide approach & act locally or regionally

This means you must move outside New York and New York's trade shows. You need to look at a minimum of 4/5 regions. Go and venture outside NY and LA / Las Vegas and add Chicago, Atlanta and Dallas. For each region, ask yourself whether your brand is well represented in these areas and if not, why.

Of course, California could deliver 30 stores or more but there could be little or no competition to gain 3 to 5 boutiques in just one state like Washington, Oregon, Colorado, or Arizona.

Tip 4: Train and Train again

The market changes, consumers are more knowledgeable and new sales techniques appear. You must learn new tricks and practice to be perfect.

This is so important especially at trade show time when you only have 30 seconds to 3 minutes to strike gold. We share the sales techniques in our US workshop.

With preparation, role plays and discipline, a client was able to take 30 orders at the show on the first session.

Tip 5: Control your Risk

Understand, control, and manage your risk: risk in producing the goods, risk in finding an agent, risk in giving credit to buyers ... risk in not training the business to succeed in the US.

Tip 6: Have the X Factor

Have a little "je ne sais quoi" ie something to differentiate you from your competitors. You need to be creative and may be try producing a piece you will not sell but that the Press would like to show to the world.

Remember 3 words that will impact on an American buyer or stakeholder:

Money, money, and money. 3 easy and effective words. Think carefully how you will deliver that to build momentum.

Tip 7: Products

You need to adapt your products to the US Market. It does not mean that you have to change your identity, but you have to identify which pieces/ product categories are relevant for the US Market or the niche markets you are targeting.

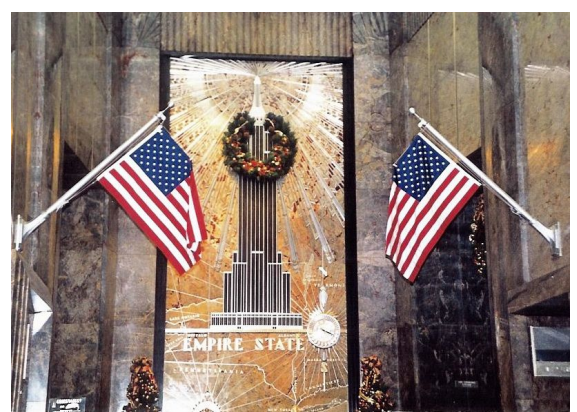
Remember that freshness governs success at retail so bringing a minimum of 4 delivery groups is a wise thing to do. Be ready to expect small orders yet many of them and repeating themselves every month if you do a great job.

Tip 8: Preparation

Preparation makes perfect. So do take 4 to 6 months to get ready for a trade show. Build a list of targeted buyers, potential agents and work with a delivered duty paid price list ... and all the other tools and processes to fit your goals.

TIP 9 (Royal Tip): A Royal Wedding will ensure you make it a success.

To make this marriage a long lasting one, make sure you invest for the long term and show this



commitment to the buyers and partners you may work with.

You need to be speaking the same language and British English and American English are different. Establish a smooth communication with the buyers and “sales reps” and remember they will not call you on a European, Asian, or African phone number.

Have a vision and strategy to ensure you remain focused on what matters to the buyers and show them the money. As a reminder, today, cash flow is even more important than ever.

Easy communication and easy buying mean that you must sell the goods in dollars and delivered duty paid.

Only give credit to good buyers and therefore use an application form or have a credit insurance to take the risk on your behalf.

Attend more than one trade show to grow the business.

Finally share and compare experience with other brands. Ask people precisely how they succeeded or why they failed.

Tip 10: Take action today.

Taking action today does not mean that you rush to invest on a sales rep, distributor, trade show or ecommerce operation, it means you get prepared to launch the US market in 3/6 or 12 months.

Many clients (+25%) who went through our USA workshop decided to postpone (rightly postponed) their US investment by 6 or 12 months as we both agreed that they were not ready and that their first show would not produce the desired results.

They saw it as a big saving as they were planning to invest at least around \$6 000 to \$10 000.

Everything we shared with them was effectively used at the subsequent shows.

Furthermore, you need to know that some US ideas are applicable outside the US and we were thanked by the clients as they were not using those ideas in their home country/region. Some of those Brands had 10 and even 15 years of wholesale success!

**Good luck and welcome to the Land of many opportunities.
We are on your side and committed to your success.**

GFM – Press – WWB Article on the USA

Want to know more, email us:

press@globalfashionmanagement.com



Who is Global Fashion Management – GFM

A Trusted Advisor and Chief Operating Officer (COO).

Benefit from over 25 years' international hands-on experience and contacts to scale up a financially sustainable business. Clients appreciate we bring them critical and creative thinking to ensure they build a secure and effective Brand at wholesale, retail and online.

GFM Founder, Thierry Bayle, has set up a business in the USA, managed \$40 M and has worked with all the stakeholders and monthly with Brands, boutiques, department stores, sales reps and distributors alongside logistics and credit management issues.

This wealth of experience and contacts are now yours so that you can make your US market dream a reality.

We have also represented the MAGIC Show and have visited the other shows. We understand what will make you succeed (and fail) when working at wholesale in the US.

GFM acts as a Change and Growth Accelerator. We take the position of a business mentor or coach or interim manager depending on the situation.

We provide top level expert advice and we can act as an extension of your management team, sales or operations team and get the work done including taking a meeting, joining a meeting or working with you at a trade show.

Global Fashion Management

Tel +44 20 3290 4677 – Int'l Team/ WhatsApp +44 7951 198 769

US +1 646 360 1201

usa@globalfashionmanagement.com

www.globalfashionmanagement.com

The London Fashion Business Academy is a platform of online content (alongside free email exchange and webinars) dedicated to young designers and start-ups.

Never assume we will say no, always assume we will say yes!

(We hope you understand what that means!)

www.londonfashionbusinbessacademy.com

USA Workshop - #1 Resource to crack the US market – A truly 360° holistic approach



Join us for the #1 USA workshop as this “101 Golden Rules for Sales Success in the USA” workshop has no real competition.

It is back up by our **label “Satisfaction Guaranteed”**.

If you are not happy with the preparation phase and the first hour we will spend together, you will be able to get reimbursed.

2 options are offered to you with 2 pricing options. Limited time offer.

The main difference is that we need a good day's work with you to drive the changes in the company's documentation, marketing collaterals, tools, processes and mindset to be truly effective. Give us a call and we will cover any point or question you have.

Option 1	Option 2
Price: £ 450 instead of £ 720 *	Price: £ 720 instead of £ 1100 *
	
<p>Deliverables</p> <ul style="list-style-type: none"> ✓ A bespoke content so we focus on what your business needs ✓ Questionnaire pre-delivery (your Brand goals, strengths, and weaknesses...) <p>A full presentation of the USA (91- slide presentation) including</p> <ul style="list-style-type: none"> ✓ market, ✓ stakeholders, ✓ top opportunities and key challenges, ✓ top 10 mistakes made by the competition, ✓ top 10 profit opportunities, ✓ market positioning ✓ logistics (DDP...), payment terms ✓ sales pitch for a successful show ✓ Working effectively with sales reps ✓ Sales pitch to convert buyers (pre, during and post trade show) ✓ Duty optimization – Saving up to 15 to 30% <ul style="list-style-type: none"> ✓ Business templates ✓ Contacts ✓ Follow up ... <p>We focus on helping you generate contacts and conversion before and during the show or investments you are making in the US. We will work with the CEO, the management team and staff to get the job done.</p>	<p>Deliverables</p> <p>Everything included in Option 1 in addition to</p> <ul style="list-style-type: none"> ✓ Time to identify the priorities ✓ Time to identify the tasks to deliver before, during or after the show ** ✓ Time to speak while you are working at a trade show in the USA (or any other field visit in the US) <p>**Examples of the work done with other Brands</p> <ul style="list-style-type: none"> ✓ Recommendation, drafting and/or implementation of key marketing collaterals: lookbook, line sheet, price list, application form, sales emails to buyers (#1 to #6 if necessary) ✓ Recommending, organizing and/or calling key contacts to set up the back office (logistics and credit management), PR, trade show, sales reps, distributors ... ✓ Recommendation, reviewing, drafting a procedure or contract to facilitate or accelerate your USA expansion plans ✓ Directing or executing the set up of a data base of target buyers for the US market and to be delivered pre-show (from 20/50 to 200 names) <p>PS Please note that depending on the tasks to be accomplished, more time may be required alongside an extra investment – after your approval.</p>

NB: *The half day or full day work together can be organised over 1 or several sessions. The workshop can be delivered digitally. Travel expenses are not included when we meet face to face.*
We highly recommend that all key people in charge (CEO, Designer, CFO, Sales, Marketing, Logistics) attend part or whole of the workshop to ensure we make long term changes, and we create positive impact on your US sales.
 *=VAT incl.