

In the fiercely competitive world of retail, operating online as a business can massively cut overheads, meaning products can be offered to customers at a greatly reduced price. But when an online retailer offers a discount, its direct competitors will follow suit. That's often results in a price war, that ends to sell some items for either almost zero profit.

This form of price fall doesn't benefits retailers and can set expectations for lower prices across the board, as customers are likely to notice substantial price rises when product prices return to normal level, with the feeling to being tricked in some way into buying

# Supporting Sales Network

## The Global Retail Market



something more expensive than it should be. This may highly affect manufacturer's brand value and market positioning.

In addition, with pressure to retain their market share, physical stores are forced to slash prices. However, the margins required for brick-and-mortar stores and ecommerce stores are not the same. Store-based resellers suffer that online retailers regularly sell at a price they cannot afford, they're also frustrated by often found themselves in the position to acting as a physical display for their online competitors.



### PROTECTING THE SALES NETWORK IS OUR PRIORITY

Our sales network is made of large distributors, small and micro bussinesses, chain of stores, brick-and-mortar stores, online resellers. **Our ethichal concept of business is aimed at protection of each of our resellers**. We protect your profit margins from price wars to remain competitive, no matter your business size and type.



#### FAIR COMPETITION

We promote fair competition in our sales network, addressing to focus not on lowest price but on excellence in service to customers, product knowledge, good communication, problem solving skills, and more. How we do that?



#### THE FIRST STEP: MRSP

The Manufacturer's Suggested Retail Price, refers to the price our brand believes our products should sell for. It aims to coordinate sale prices across online and offline retailers. It's based on the quality and the value of our products and brand on international market



#### THE SECOND STEP: MAP

A Miminim Advertised Price policy usually restrict advertised price, which means resellers can only offer a limited discount. By agreeing upon a minimum advertised price at which a product can be sold, it sets a bottom limit to the price for all parties selling the item. A MAP policy usually includes incentives for retailers to comply with the terms, and, equally, repercussions in the event of a violation of the policy.



#### **OUR MAP POLICY**

Our MAP is a bit different. We want to build a trustworthy relationship with our sales network. We do not restrict advertised price neither we put pressure on our resellers. The key difference lays in the fact that our MAP is only a price suggestion, a one-sided-policy, the retailer is not obliged to follow it. Arranged like this, the MAP does not violate the terms of a free market.



#### **COMMON VISION**

Nevertheless we want, and legally we have the right, to work only with retailers who share our values, business ethics and price guidelines. That's why we choose to keep selling our products on global market only throughout this kind of retail partners.

Become our reseller only if you share our business ethics

#### THE BENEFITS

While protecting your business and profit margins, you gain a long-term collaboration with a premium brand which is often followed by some kind of rewards and new clients. An ethical brand whose awarness and value in the market are guaranteed by promoting product quality and fair pricing.



