

How To Leverage Sales Tactics And Tools For Profit Growth

By Matt Woodhouse

With such a diversified market sublimated products can be sold to, there are several ways to find success. Awards, decorated apparel, and the custom gift markets, while all unique, share some common values, thus there are some common tactics we can employ.

We will take a look at the basic tools for pricing and marketing, stock business plans, and some unique ways to make the most of your time. Examining these items will help answer the most basic question in selling sublimated products: how to turn a beautiful product into dollars.

TOOLS

The first of the many tools we can use to make money is a business planning system named Sublimation Target Marketing. This is a multi-faceted program which combines a “Base Module” and several specific “Target Marketing Modules” (see Figure 1) that will help you find contacts to approach, that are primed to buy products in volume.

The Base Module is a three-ring binder with an accompanying CD-Rom. It walks you through how to identify a primary and secondary target market, pricing guides,

even pricing calculators which will provide all of the cost factors that come into play when producing sublimated products.

From phone scripts, to sample introductory emails, even some helpful CorelDraw tips and tricks, this module packs a big punch. Most of the sublimation distributors simply refer to this guide as the “business bible”. Distributors will typically sell this guide for about \$75, and will often include it with start-up packages, or with certain starter product kits.

The Target Marketing section is broken up into three modules—one each for inner high school clubs (chess club, drama club, etc.) and collegiate organizations; team sports; and religious organizations. These modules give specific information for the demographics of the different groups they are targeting, along with sample brochures, and some even have signage you can put in your retail location.

The modules, in combination with the organizations’ websites, will help you find local contacts. These contacts can then be approached about purchasing packages of products for several members of a team or group. The Target Marketing Modules are

also available from sublimation distributors for approximately \$140 each.

Another set of stock business plans are available. They do not contain all of the items that are incorporated with the plans you can purchase (brochures, etc), but the plans themselves are a great way to help jump start, not only ideas, but revenue. At www.unisub.com you will find six free plans that can help get you on your way.

TACTICS

After learning about the tools available to help, we will now explore some tactics that will allow us to put them into action. One very important question to keep in mind is what are the primary reasons why sublimation dealers do not make money?

The first reason is that the value of the time spent between taking the order and printing the transfer is disproportionate to the gross margin of the order. In other words, the time that is spent in designing and cleaning up artwork exceeds the sales price of the product.

Second, just because some samples of sublimated products are on the walls of the store doesn’t necessarily make sublimation a

Figure 1



hit. Working on a “if you build it, they will come” philosophy rarely works. Strategic alliances and proactive sales (knocking on doors) can bring in a large revenue stream, making sublimation a valuable complement to your business.

NO DESIGN PRODUCTS/ PHOTO GIFTS

The world of photo gifts is growing rapidly today. This can make just about anyone who can snap a picture your artist. Since your customer is supplying the basic art, simply resizing and printing typically does not require much time.

Today we have an extensive array of sublimatable products (see Figure 2). Simply adding a picture to these products makes a very attractive gift. Once again, the less time we spend on design, the more of the revenue of a sale becomes profit.

TARGET CHANNELS

A target channel is any group of customers that are in similar businesses or activities that you can focus on, to leverage your designs, skills and experiences. Targeting sales that utilize the same products and background art, with only minor copy changes, will help eliminate the time drain of design. Instead of selling one name badge for \$10, that took 45 minutes to design (a.k.a. money loser), focus on selling an entire organization name badges.

The difference in time between producing one versus twenty can be as small as 15 minutes. Simply duplicating the one badge 19 times, and changing names on each one, takes care of the artwork. Pressing one versus twenty is minor as well. There will likely be a couple of minutes to stage the product and transfer. While one badge took one minute in the press, twenty will be two minutes. The extra 15 minutes took \$10 dollars in revenue and turned it into roughly \$200.



Figure 2

SALES REPS/ASI DISTRIBUTORS

ASI (Advertising Specialties Institute) distributors act as a sales agent to companies who are looking to purchase promotional products. They are working with other companies to have the products produced, and sell them to the end user. When working as an ASI supplier, you will typically see high-volume orders coming in from the distributors.

The trade off is there is less made on each product you sell. Typically, ASI distributors make about 30% of the manufacturer's suggested retail price (MSRP) (one piece) price. Since this is a high-volume channel, some other discounting may come into play.

On average, 20% off MSRP will be passed on to the end user for a volume purchase. That means when selling a volume order to an ASI distributor, you are only making 50% of the MSRP. The upside is that the revenue is so large (and the same artwork is being used), that the reduction of profit margin makes sense.

WHOLESALE FULFILLMENT

Similar to working with an ASI supplier, wholesale fulfillment is decorating a product that is sold to a retailer or reseller who sells to the end consumer. This type of work is typically divided into two classes: fixed-design products, and custom-designed products.

Fixed-design products are often sold to gift shops. Museums, resort area gift shops, winery tasting rooms, and golf pro shops are all great examples. Stores of this type cannot afford to buy hundreds of pieces at a time; they typically need 20-50. There is some initial cost of setting-up and creating the artwork, but it is easily absorbed over the volume of production.

Custom-designed products are just that, something completely customized for the end user. You can team up with retailers who offer the product in their stores, then flip the order to you for production. A great type of business to team up with is a sports-team photographer. They are already taking

high-quality pictures and selling them to the participants. Why not give the photographer more to sell than just prints? Work with the photographer to create some product samples, and a sales sheet that will be included with the order form for the prints.

This is another case where the margin will likely be lower. The photographer is selling items at full MSRP, but you the decorator are selling the items to the photographer at 50% off. As there will be little to no design time to produce these products, and all the sales are being promoted by the photographer, sacrificing some margin for the bigger revenue picture once again makes sense.

In conclusion, making use of the business aids that have been produced by the industry can be a wise idea. While some are free and others do cost a few dollars, they have a wealth of information within

them that can help avoid some of the pitfalls along the path to success. Don't just assume that the display of products on the wall will drive sales to the point of success. Use sales reps and ASI distributors to send orders your way.

Work to target channels that make sense. Take advantages of relationships you have, either within the business community, or from personal activities you are involved in.

And finally, wholesale fulfillment can drive a lot of orders to your business without having to leave the shop. Plus other strategic alliances can be formed, which can save you a lot of time knocking on doors, keeping you focused on producing products to make you money. SA



Matt Woodhouse is a Sublimation Sales Specialist at Johnson Plastics. Visit Johnson Plastics on the web at www.johnsonplastics.com. For further information, Matt can be reached direct at 866-869-7829 or by email at mattw@johnsonplastics.com.

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