



Breaking through at Sam's Club

Focus on members, not brands Reiser tells Mack Elevation Forum

BOSTON — With an eye toward achieving better alignment between their companies and the nation's leading retailers, executives from more than 20 noncompeting vendor companies gathered in June in Boston — after several days of selling at NACDS Marketplace — for the most recent meeting of the Mack Elevation Forum.

The June meeting featured an exclusive presentation on how to break through at Sam's Club by Jason Reiser, VP family health and wellness for the fast-growing warehouse club retailer.

Program founder Dan Mack, EVP strategic business development for The Swanson Group, set the stage by challenging forum members to evaluate the corporate culture at each of their own companies. According to the results of a recent survey of U.S. businesses conducted by Booz & Co., 53% of executives don't feel their companies' strategies will lead to success, 67% said their companies lack the capability to fully support their own corporate strategy and only 21% believed their companies have the "right to win" in the markets

Jason Reiser, VP family health and wellness for Sam's Club (right), discussed the core principles that guide the Sam's Club strategy at the June installment of the Mack Elevation Forum in Boston.



so the entire culture is built on delivering value and growth — value to its existing members to attract and grow its membership.

Sam's is "brand-agnostic," Reiser explained, and so the way in for any vendor is to demonstrate "that

the Sam's Club member is specifically looking for your item. Don't assume that because your brand is in Costco it deserves a home at Sam's Club."

It's also important for vendors to think about how their brands might fit in the club channel before actually trying to gain distribution in clubs. Since clubs control 12% to 18% of many vendors' sales revenue, Reiser explained, manufacturers should be thinking proactively about a club strategy for their brands from the beginning.

The next Mack Elevation Forum is slated for Oct. 11 in Goodlettsville, Tenn. Mike Wilkins, VP and divisional merchandising manager of consumables and personal care at Dollar General, will be the keynote speaker.

they compete in, Mack noted.

Reiser followed with an insider's perspective on how a vendor — even one that currently is not doing business with Sam's — can strengthen its business with Sam's.

First, Reiser explained, it is critical to understand the core principles that guide the Sam's Club strategy. "They're members, not customers. They're clubs, not stores," he said. That's an important distinction because "we charge members a fee just to enter the building," and