



Working With U.S. Retailers

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Americas Sourcing

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Walgreens Boots Alliance

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Walgreens

Trusted since 1901™

Member of Walgreens Boots Alliance



ME: Andrew Wolfberg, Global Sourcing Manager, Walgreens

Background:

- **15 Years experience in product development, branding and sourcing**
- **Experienced in selling to US and Canadian Retailers**
- **Well versed in all CPG categories, including Consumables, Health & Wellness, Beauty, and Personal Care**

Agenda....



What makes the US a desirable market for suppliers



Understanding the US retail landscape



How to set your suppliers up for success in the US market



How to tailor your go-to-market approach based on your product/services

But First....

Trusted partner since 1901

With a rich heritage dating back to 1901, Walgreens is a trusted community partner and an integral part of our customers' health and wellness.



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Innovation is our legacy ... and our future

Creation of Walgreens



1901

Rollout of child-restraint containers



1968

Launch of drive-thru pharmacy



1991

Pharmacy prescription labels in multiple languages



2002

Creation of Walgreens Boots Alliance



Walgreens Boots Alliance

2014

Strategic partnerships



2018

1922

Invention of the malted milkshake



1981

First pharmacy computers connected by satellite



1999

Launch of online pharmacy



2007

Acquisition of Take Care Health Systems



2017

Acquisition of Rite Aid stores



2019

Strategic partnership with Microsoft



Walgreens is a neighborhood health, beauty and retail destination supporting communities across the country.



=



Personalized Services

+



Highest Quality of Care




78%

of Americans live within 5 miles of a Walgreens store.

As of Aug. 31, 2019

Walgreens is creating a contemporary retail offering focused on wellness, convenience, beauty and more.

- Expansive physical store footprint
- Latest technology
- High-quality products and services delivered to every community and doorstep



90+ million

**Members of
Balance® Rewards
loyalty program**



8+ million

**Customer interactions
in-store and online
each day**

* As of Aug. 31, 2019



Walgreens

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Trusted brands



Beauty products



3,000+

Stores with expanded beauty offering and expert beauty consultants

As of Aug. 31, 2019

Partnerships



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Why is Walgreens so appealing...

Walgreens size of prize:

- 330 Million People in the US.
- Walgreens has 15 Distribution Centers throughout the U.S.
- 90 Million Active Balance Rewards Members
- 18,750 Worldwide Retail Locations
- 78% of the US population lives with a 5 mile radius of a Walgreens!

Where do I sign up!??!

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With size of market comes complexity/costs to serve...

Are your manufacturers considering:

- Can I support the US Market from a Volume/Capacity Standpoint?
- Am I selling something I make or something the market demands? How do I know?
- Do I have a supply chain that's set up to serve such a great geographical region?
- Do I need a local rep or sales person to help me navigate working in the US?
- Am I expected to warehouse product domestically due to shelf-life constraints?
- Am I in compliance with the United States Regulatory Laws both Federally and State Specific?
- Do I have the IT infrastructure to send/receive orders as well as receive payment?

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Understanding the US retail landscape...

Not all retailers are built the same, what questions to ask:

- Do I know the nuances of US retail channels, and specifically, the retailer strategy I'm looking to break into?
- What unique characteristics of the retailer I'm seeking to engage drive whether I'm a suitable supplier?
- Are there physical retail specifics related to the retailers I'm seeking to sell that dictate my go to market strategy?
- What is the relationship of a category manager, a buyer, a sourcing manager, a product development manager, others that influence decision making?
- Is my product (or brand) actually delivering value or differentiation to the retailer in a way they don't currently have already?
- What's the competitive advantage of buying product from our country?

Agenda....



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How to set your supplier base up for success...

I'm the best at making widgets, how could I fail?

- Transparency and OVER-communication can go a long way. Do I have the contacts within the organization I need to get the information I need to succeed?
- Do I understand the terms (both financial, product liability, specific insurance coverage, and general service expectations) that the retailer requires?
- Do I understand penalties/costs of being out of compliance?
- Do I understand intellectual property rights in the country I'm selling? Can I substantiate claims retailers want to make?
- Do I have all applicable 3rd party testing related to my facilities quality management system validated? Have I undergone a US recognized ethical sourcing audit?
- Are there specific tests related to import product that apply to my brand or product that I need to be made aware of?

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How to tailor your go-to-market approach based on your product/services

How to tailor your go-to-market approach based on your suppliers' product/services...

So many stores, so many ways to go to market...

- You can't be everything to everyone, choose a lane....or channel?
- Set expectations.
- Set a clear strategy.
- Understand the retailer's target customer? Is the Walgreens shopper the same as Target's? Maybe, but what motivates the retailer's decisions across channels?

Where do I go from here?

Hit the stores...

- Chicago is a mecca for all CPG. Take advantage of your time here and see what the major retailers are doing here.
- How are the stores set up? What's the first thing you see when you enter?
- Who's shopping in the stores?
- Take advantage of your IRI contacts.

Questions...

