

Military Resale Brokers' Evolving Roles

By former Defense Commissary Agency Chief Operating Officer (COO) Rick Page



The changes in the role of the military broker as well as in our industry have been enormous since I began my commissary career in 1978 at the NSCS Athens, Ga., commissary. After more than 10 years in retail before beginning my commissary career, I immediately noticed the increased role and need for the military sales representatives. From order-writing assistance, to vendor stocking, to store resets, to salvage and much more, it became readily apparent the success of the NSCS Athens store was tied to the support received from our resale partners. Those were the days of many more military brokers, some long since gone such as Wilson Harrell, Milbrands, François Schwarz, and Southern Military Sales to name a few. Commissaries were also served by a much larger direct sales force contingent of manufacturers such as The

Campbell Soup Co., S.C. Johnson, The Kellogg Co., and many more. Over the years, consolidations, purchases and other factors resulted in those storied companies and others either disappearing from the competitive landscape or in the case of some manufacturers, changing their service delivery method.

Yes, the changes have been huge, but they have not been in a vacuum and not without a driving reason for the evolution. Our entire industry has changed since 1978, to include the expectations of performance by all involved. Just think how many commissaries there were in 1978, how many regional offices supported them and the fact that there were four commissary systems, each run by one of the military services, five if you count the Coast Guard. Outside the gate, the shopping quantity and quality of options were limited, as were the number of military families living off post, base or installation. In other words, commissaries once were, from a location perspective, considered convenient! Individual store warehouses were the order of the day, with only the Navy and Marine Corps systems dabbling in central distribution centers (CDC). But those days have long ago disappeared into the annals of resale history.

Today, we have only 255 commissaries located in 13 countries around the world, with 27 zone managers, three regions and the Defense Commissary Agency (DeCA) leading the way. There seems to be a supermarket and supercenter outside every gate surrounding every military installation with a commissary. And is there a retailer who does not sell grocery products? To compound the challenges, the majority of our military and their families live off the installation and must drive by these shopping alternatives every day. The advent and rapid growth of the now-standard distribution procedure in the CONUS, DeCA's Frequent Delivery System (FDS), brought more change. But for me, most significant was the growth in the number of companies and products all competing for finite space and sales in our commissaries. These facts all contributed to our forever altering the way we must conduct business. The competitive bar has been raised very high and survival depends on our being consistently excellent every hour of every business day.

With each change, the military brokers, manufacturer representatives and distributors have all evolved to meet the competitive demands that have resulted. And, let's not forget the evolution of the commissaries over the past 30 years. To paraphrase a commercial from the now-defunct Oldsmobile auto manufacturer and often used by our resale partner, Army & Air Force Exchange Service (AAFES) Commander, Maj. Gen. Thurgood, USA, "This is not your parent's commissary." The quality of the merchandising, services offered, facilities and execution of today's commissary are light years ahead of 30 years ago, as are the expectations of our stakeholders and customers.

To meet the changes in the competitive landscape of military resale, brokers have indeed sought to expand services to carve out or establish a competitive advantage. While that might increase business in the short term, I would suggest that for the long run, the ultimate decision on product winners and losers will be made by our customers. Lest we forget, at the end of the day, the only metrics that truly matter to both DeCA and industry are increasing sales volume and improving customer service! With that in mind, it is my opinion that as important as strategies and offering a sophisticated menu of services are to success, it is execution at the point of sale that will be the major difference maker. Following are a few suggestions I humbly offer our partners:

1. Recruit the very best people you can. As I have stated so many times, we are in the people business, and those with the best people have the greatest chance of competing to win.
2. Once you have recruited the very best talent, thoroughly train them on the companies and products you represent. Placing the latest technology in your team members' hands is great, but ensuring they are experts on the products and services you offer is even more paramount. Don't forget to indoctrinate all on your team on our incredible mission of delivering the commissary benefit to our armed forces and their families! I also believe a team member, inspired by his or her mission, is a more productive and positive one.
3. Ensure your sales representatives are in the solutions business. Too many want to bring problems, and without question they must be raised, but with every challenge there are multiple answers. Be prepared to provide answers, with options, not just obstacles to success.
4. Deliver on what you promise! From vendor stocking, to display building, to product demos, to ensuring product placement and distribution, be the company that over-delivers. I am convinced outstanding execution will continue to win the battle for shelf and display space at store level.
5. Never forget to foster positive working relationships with the DeCA team. So many forget the powerful influence that relationships have on success, and I am convinced it is even more important now than ever before. With so many competing products, promotions and services offered, those who invest in promoting positive working relationships will be in a competitive advantage.

In closing, I am convinced the commissary benefit is stronger and more efficiently and effectively delivered than ever before. Every measure of success resoundingly confirms my statement. That is in large part due to the incredible partnership and outstanding efforts of our industry partners and our DeCA team members, past and present, around the world. This is not to say there are not challenges, but by continuing to partner and together striving for excellence in all we do, there is nothing that cannot be overcome. I am convinced that our best is yet to come!

It has been my honor to serve with so many outstanding professionals throughout the resale industry for so many years. Your commitment to serve those who defend our freedom has inspired me, as has our incredible mission of serving the most deserving customers in the world! I wish you continued success and every happiness in the future.