

THE WHOLESALE FORMULA

Module 5 – Approval Rate Expectations

Hey there, welcome back. In this video, I'm going to provide you with some expectations to have regarding your approval rates. You are going to be reaching out to hundreds of different companies, so we want to give you an idea of what to expect in doing so and how you can learn from each interaction. Let's begin.

As previously stated, this business is a numbers game. The more awesome products you find, the more brands you'll have to contact. The more brands you have to contact, the more approvals you'll see. The more approvals you get, the more products you can sell.

That being said, it's only fair that you have an idea of what to expect going forward. As you've probably guessed where this is going, more often than not you will be denied your request for wholesale accounts. You will be denied and you will be denied a lot, but don't worry. Not all no's stay no's. Oftentimes, we are able to turn a "no" into a "yes". Also, the value of a yes is very high.

When we first started wholesale, our approval rate was around seven percent... That's right, only seven percent. Surprised? It was tough for us because we were new to this business model and it took some time to learn it all on our own. But, despite having such a low approval rate, our sales from wholesale accounts were nearly half a million dollars in those first 6 months. Since then, we have learned how to increase our approval rates with our value props and the RPS system, but this should go to show you that it's all about playing the numbers.

Is seven percent lower than what you expected? It was for us. But like I said earlier, the value of those yeses, of that seven percent, really adds up. Our conversion rate now is much higher, but nothing astronomical. We have developed many strategies that you will soon be learning, but you should expect to see approval rates around that 10% range.

Now that you know what to expect in terms of approval, it's important to know how to handle rejection. One of the most important pieces of advice I can give you is, don't take it personally. This is something we had a hard time with in the beginning. It wasn't easy to hear "no" after "no" after "no." But, we knew that we had to keep trying. Then, when we were finally approved for our first account, it was like all those rejections didn't even matter. When you take rejection personally, it will most likely affect your future inquiries with other brand owners. Confidence plays a big role in our business. When you take rejection personally, it can negatively affect your confidence and hinder your ability to acquire accounts. Instead, it's best to simply accept rejection as part of the business. Yes, this is easier said than done, but it's important to keep in mind. That brings me to the next piece of advice.

Through our experience with account acquisition, we have learned that all we can do is confidently and professionally give each attempt our best effort. If that doesn't work, then we have no reason to be disappointed.

Something else we'll get into later is requesting feedback after being denied. We have learned to view each denial as an opportunity to improve our message. It's a lot easier to learn from failure than it is success. By asking for feedback, we have made countless improvements to our message. Brand owners are now much more receptive to our emails and phone calls after making these improvements. So, it's important to get value out of rejections by treating them as learning opportunities. There's usually always room for improvement when it comes to talking to brand owners.

The goal of this video is to make you aware of the typical approval rates when applying for wholesale accounts. By providing you with these expectations, you are now better equipped to handle rejections. Being turned down for a wholesale account can be one of the toughest parts about this business, but it doesn't have to be. Many times, we are able to take those no's and turn them into yeses. It's also important to remember to not take them personally. All you can do is give each attempt your best effort. Each denial means you are one step closer to being approved for that next awesome account. Each rejection is a learning opportunity that can help you improve your business. That wraps it up for this video. Thanks for watching and I'll see you soon.

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