

# RELATIONSHIPS REMAIN KEY TO THE REP'S FUTURE

BY JACK FOSTER

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technology will be increasingly crucial for reps, but face-to-face interaction is still the best way to keep your customers and principals.

**Y**ears ago, comedian Johnny Carson would appear as the turbaned psychic “Carnac the Magnificent” to amuse *The Tonight Show* audience by answering unopened questions or making humorous predictions about the future. Looking to the future is no joke to independent manufacturers’ reps, however. Several reps seriously ponder their future at the beginning of a new decade, as they emerge from what could best be described as challenging economic times.

The major upcoming change Vincent Matteis, CPMR, anticipates is that “the rep of the future might very well be a she vs. a he.” Matteis, of Amval Associates, Inc., Lyndonville, Vermont, knows this based on the fact that his daughter, who serves as the agency’s sales manager, will eventually take over the business. He adds that he’s seeing more of a female presence overall within the rep profession.



In addition to the gender issue, Matteis points to the fact that he has already seen a number of large manufacturers who may have rejected the idea of reps in the past, are now making use of them in specialized areas. “They’re not using reps exclusively, but I’ve seen more and more companies turn to reps to address specific market needs. In general, I’d say that a greater percentage of business is being done by reps for these large companies than ever before. Obviously this is a very positive trend for reps.”

Matteis also acknowledges the evolving impact of technology on the rep profession, but he adds, “Remember this is a people business and people continue to buy from people. While how they do it might change a bit, there will be no substitute for getting right in front of the customer to get the job done.”

Matteis recalls, “There was a time a few years ago when I’d sit down with my invoices at the end of the week and write thank-you notes to customers who placed [orders] with me. That’s changed to the point where a thank you is now sent via e-mail. But the fact remains at some point you’ve got to sit down face-to-face with the customer in order to establish, build and maintain the relationship.”

Speaking to the continued impact of technology, however, Matteis adds that the phone and computer will certainly continue to evolve as a part of the face-to-face sales call. “We’ll be able to see each other over the phone or computer. That in no way diminishes the importance of being able to read body language. That’s why it will continue to be important to be able to go belly-to-belly with customers.”

Matteis also believes that, thanks to technology (e.g., the Internet), customer meetings won’t be as long or complicated as they’ve been in the past, since so much work can be completed prior to the face-to-face meeting.

Just as the in-person meeting with customers will remain important, Matteis doesn’t see that practice diminishing between rep and principal. “Once again, it all gets back to relationships. That’s why we’ve got to maintain the personal presence in front of each other.”

Finally, he’s very much aware of the trend among many manufacturers to off-load some responsibilities to their reps, and he expects that to continue. “That’s why it’s so important for the rep to understand [which] are his A, B and C lines, and service them accordingly. By that I mean you must know those lines that are most important – to you and your customers. Once done, you’ve got to decide how much added responsibility you can take from manufacturers without harming your bottom line.”

He notes that this philosophy was inspired by the line profitability analysis learned while at CPMR. “I can’t say enough about the value of the CPMR program. I wouldn’t be where I am today without it. And, speaking about tomorrow, my daughter’s certainly going to go through the program.”

Doug Kopscik, Custom Component Sales, Inc., notes that while it might be beneficial for the rep to have “three eyes,

five arms and three legs” in order to meet tomorrow’s needs, he really doesn’t see that happening. He does, however, believe that the increased use of technology is “going to be absolutely critical.”



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When it comes to grappling with a rapidly evolving technology, he explains that he's ready to meet that challenge. "During the 11 years I spent on the manufacturing side, technology-based training and education were constants. Now, as the head of a two-man agency, I'm well acquainted with the benefits of ACT and the use of a BlackBerry. I basically live and die with all the contact information loaded into my BlackBerry. On top of that, I'm in constant touch with customers, principals and the office via e-mail. It's as simple as this: today with the tools we have at our disposal, we can confidently walk into any business. We're already loaded with all the information we need concerning that business – even if it's our first call. You don't have to look through your briefcase and hunt through a file for information – it's at your fingertips."

Kopscik also considers the impact that social media might have. "Whether it's Facebook, Twitter or LinkedIn, I'd have to say we've only scratched the surface as to how social media might impact the rep's life. Obviously, the need for an agency to have a website has become important – even though I haven't put one up yet."

That issue is something the rep plans on addressing this year. "When I started the agency 13 years ago, I realized I needed some sort of a logo to assist in branding myself. I contacted a local technical school and asked the instructor if we couldn't work together to develop a logo. They took the ball, ran with it and made it a project for a class. I'm probably going to take the same approach when it comes to my website. Since it will be a real-life business project for both of us, it's a bit of a win-win."

Despite the increasing importance of technology, Kopscik maintains there is one area that's not going to change, the importance of relationships. "Month after month in the pages of *Agency Sales Magazine*, I read how important it is for the rep to firmly position himself in front of both customers and principals. Not only is that never going to change, it's going to increase in im-

portance. Sure, with the Internet, buyers can get all the information that they need about a product or service, but it remains for the rep to have that relationship that will give him the edge over the competition."

Kopscik couldn't wrap up a conversation about the future without mentioning the ongoing trend among manufacturers to demand more from their rep sales force. "Will principals continue to be more demanding? Absolutely! That's something that impacts every aspect of business. People, reps, manufacturers and customers, are faced with the prospect of doing more with less. That's why it's so important for the rep to be constantly

sharpening the saw in order to be more productive. That's why we've got to take advantage of all that technology offers and [strive] to work smarter."

The *professional* independent manufacturers' representative shouldn't have to be overly concerned with challenges of the future, according to Gary Brusacoram, BrusacoramUSA, LLC, Eden Prairie, Minnesota. "To that end, the professional rep will simply do what he should do in order to remain successful and relevant," he maintains.

Among the things the successful rep of the future should do, according to Brusacoram, are:

- That rep will establish and market their own brand, take charge of their destiny, and not allow others to make their choices;
- The successful agency will have principals that can focus on the vision, take the calculated risk, diversify and embrace change;
- This is a people-powered industry. The progressive rep will hire, encourage and mentor the enthusiasm of their new management candidates;
- An interactive web site validates the business, however, new business and social technologies will be selectively implemented to communicate with and influence the customer;
- The rep is the marketer. As a result, he will be more

when the  
customer  
accesses the  
internet, the  
internet in fact  
is presenting  
itself as a  
competitor.

creative and innovative than the competition, maybe controversial and positively challenge their industry partners;

- Their connection to the customer and those years of relationships with the market will continue to benchmark their value. They [will be] fanatics regarding [the] customer;
- They will evaluate the synergistic aspects of their line package and fire those under-performing lines after carefully considering profitability, service, company management and new product development;
- The industry professional rep has always encouraged education, participated in the industry, and shared the profits. He will continue to move his business forward.”

“When I think of the future, I’m probably looking at just the next two years or so,” says Jay Holder, N.O. Holder & Associates, Inc., Greenville, South Carolina. He offers, “I think only that far ahead because I’m waiting to judge how we come out of [the economic situation] we’re in right now.”

Holder, who is presently serving as the president of PTR A, considers the future of the rep profession and explains that, just having finished the latest issue of *Agency Sales Magazine*, “I couldn’t help but comment on the importance that was placed on the pressing need for reps to stay in front of their customers. There’s no substitute for that. That point is ‘spot on’ and what I’m finding now, and this will only grow in the future, is that

customers will only see you if you have something they want. So, if there’s any ongoing change that reps ought to be aware of it’s the need for them to bring something that’s needed, something that is different to the customer.



**The independent rep firm of the future will cover all verticals in the chain for the many market segments it represents.**

If the customer already has your quote, what else are you going to do to get in front of him? Instead of just being a salesman, the rep had better be a solution provider. If he does that, the customer will want to see him.”

That’s easier said than done, however, given the minefield reps have to negotiate in order to get the customer’s attention. Now that customers are fully armed with the information one can glean remotely and electronically, and protected by barriers such as e-mail and voicemail, if the customer wants to avoid the rep, he can interminably. That’s what the rep has to overcome.

Then there’s the Internet. “We all know that the customer feels he can get the information he needs off the Internet. When the customer accesses the Internet, the Internet in fact is presenting itself as a competitor to me. The problem is, however, we don’t know what the customer is looking at. He very well may not

be comparing apples to apples. We’ve got to get to the customer, actually get in front of him, so we can find out what he’s looking at, and bring him back on track. We’ve got to provide him with the information he needs to get his job done better. That remains one of our most important future challenges.”

While technology, in the form of the Internet, e-mail and voicemail, can act as a barrier to the rep completing his job, it can also be his savior. According to Holder, "There are a lot of people who are reluctant to embrace technology. I, for instance, avoided getting a BlackBerry for the longest time. I finally got one two months ago and now realize what I was missing. The benefits are as simple as this: I'd make a call providing a customer with information or trying to set up an appointment. Instead of calling me back, he'd e-mail me with a response. The problem, however, is that I wouldn't read the e-mail until I got back to my computer. Now, I can get the message and respond immediately."

Does the future hold challenges for the rep-principal relationship? According to Holder, "Relations with principals are always a changing dynamic. Whether things change for the better or worse depends upon how we react to each other."

He adds that one concern any rep has to come to terms with is how to react when principals continue to downsize and try to do more with less. As a result, it's inevitable that they'll attempt to shift some duties over to the rep. How much added work should or will the rep accept? "That depends upon the principal," according to Holden. "Obviously, if it's one of your best or most important lines, you'll figure out a way to do it."

He went on to describe a decision he had to make recently: "We were working with an international company that I don't think was all that familiar with working with U.S. reps. Ultimately, we felt they were placing too many demands on us and decided it was best to part ways. The principal didn't necessarily agree that they were being too demanding."

Holder added that while the agency and the manu-

facturer did part ways, he's noticed that the company still lists his rep firm as the rep for the company.

To sum up what a rep firm will look like down the road, current AIM/R President Mike Parham, Pepco Sales & Marketing, Irving, Texas, noted, "The independent rep firm of the future will cover all verticals in the chain for

the many market segments it represents. The agency will represent domestic and overseas manufacturers and will have the ability to redistribute product for those manufacturers. Furthermore, the agency will possess segmented sales specialists for all the markets it works in and will boast of state-of-the-art communications, computer and CRM systems.

"That's not all. The agency's management will be willing to invest in inventory to support the growth of a line and diversify into other markets, complementing the agent's core business. To ensure his future success, all this time the agency is integrating youth continuously into the organization's personnel."



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