
Aggressive Agencies Market Themselves

by MICHAEL P. MARSHALL, Ph.D.

Independent sales agencies have gone full circle over the last 20–30 years.

The need for using independent sales agencies to assist manufacturers in their growth was popular and critical for business growth 20–30 years ago. Over the last 30 years, commissions have shrunk to low levels where a firm may struggle to make profit. In addition, some mistrust has formed where companies used sales agencies to establish and grow their businesses, only to drop the agency for a direct staff once business was established.

The circle has become complete as the current trend shows that agencies are needed more than ever. Manufacturers have found that working with independent agencies serves as the critical factor for companies and

businesses to continue to grow.

As a result, now is the time for professional sales agencies to market themselves aggressively as to their worthiness and how they can be the major contributor to assist companies in significant business growth and market penetration.

Challenges for Manufacturers

Let's review some of the reasons behind this trend and at the same time discuss steps that an aggressive professional sales agency needs to take in order to formally market themselves:

- Most manufacturers have downsized and relocated important services and capabilities offshore. Often there are not enough

local staff and support to service current customers or seek out new customers and new markets. A local support structure has been proven to be needed, and customers are now selecting suppliers based on who provides the most local support.

- For companies that do have some local sales, marketing and customer service staff, downsizing has created situations of not enough staff to keep up with the routine daily work. A lack of staff means they can't be proactive with issues or seeking new business and customers. Also, what staff they have isn't motivated to perform an exceptional job.

Besides a lack of trained staff, some staff are demoralized and have no confidence in job stability. This then carries over to a lack of self motivation to make the extra effort to help grow the business. The downsizing for various reasons and seeing fellow staff in their company, as well as acquaintances in other companies, lose their jobs has combined to demoralize workers to the point where they don't have the moti-

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vation to significantly contribute in all of the extra ways needed to grow the business.

- With the common downsizing of staff, there is not enough trained staff to aggressively penetrate multiple niche markets. Expanding sales into multiple niche markets is fundamental to business growth.

- With lack of staffing, companies often do not participate in trade shows for niche markets like they should; nor do they have staff to network in trade associations and professional business associations. Networking has proven to be a critical element in business development.

- With any downturn in business comes a decrease of funding for sales support in addition to downsizing staff. This creates a situation where manufacturers can neither visit their own good customers to service them, nor help to grow a better business relationship. Of course, a company that is struggling to do this well is also

ABOUT THE AUTHOR:

Michael P. Marshall, Ph.D., has had more than 25 years of field sales and marketing management experience in the electronics industry following the award of a Ph.D. degree in business management from California University. He is certified at the federal level for international business. He may be reached at (847) 726-7047.



struggling to develop new customer relationships that will help grow the business.

- New regulations and laws that prohibit using the telephone to cold call prospective new customers and leads have taken away some of the power of the telephone. The importance of established personal and business relationships that

assist marketers in reaching new customers to develop new business is at an all-time high. Companies cannot just cold call prospective new customers, whether it's business-to-business or business-to-consumer.

An experienced professional independent sales agency can significantly assist in overcoming the challenges listed above. □

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One Spectrum Pointe, Suite 150, Lake Forest, CA 92630-2283 • Phone: (949) 859-4040 • Toll-free: (877) 626-2776
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