
Advertising For Agents?

There's Room For Improvement

by WILLIAM H. (BILL) KRAUSE

This article is directed to manufacturers who may be having trouble persuading agents to answer their ads. Those manufacturers could be up against one or more of the following:

- The target territory may have an abundance of companies making the same product as yours; too much competition.
- Prospective agents may already be selling a line competitive with yours.
- Agents in the targeted territory already have all the lines they can handle.
- Your line is not compatible with those of their other principals.

These are all plausible explanations for a lackluster response to ads soliciting representation, but more often the correct explanation is “none of the above.” The odds are excellent that the major reason your ads are not receiving the attention you want is attributable to the ads themselves.

The typical young manufacturing firm devotes its energy to manufacturing, not advertising. Often it lacks the experience required to create an ad that “sells.” Furthermore, a firm might easily assume that all agents eagerly scan the classified columns in

Too many of the ads are similar in content and style. They have no outstanding features that reach out and grab the reader.

Ad
#1

Manufacturers' Agents Wanted

Well-established manufacturer of industrial machinery offers ground floor opportunity in all MANA areas. We have expanded our facilities and are seeking aggressive agents to join our team.

**Write Sales Manager
Reply Box M-123 ASM**

Agency Sales magazine and can't wait to solicit the lines that are advertised there.

While some agents — mostly those new to the business — do fit that category, there are many other experienced agents with a full complement of principals who skim through the classifieds, finding little to attract their attention. Too many of the ads are similar in content and style. They have no outstanding features that reach out and grab the reader.

Let's review a make-believe ad that typifies some of those appearing in the classified section of this publication.

Ad #1 is guaranteed to excite yawns from the seasoned professional agent the company wants to attract. It tells a prospective agent things he doesn't want to know and omits other information that is essential to his decision to reply — or not reply.

First, of course, when advertising in the “Manufacturers' Agents Wanted” section of the classifieds,

Asking for a reply to a box number further dilutes any interest an agent might have had. He or she has no idea in what part of the country — or what country — your plant is located.

there's no need to use the headline "Manufacturers' Agents Wanted," that's already obvious and redundant, so save that space for other pertinent copy. Now, what else has this advertiser told the reader that he doesn't want to know?

By specifying "All MANA territories open," the advertiser tells a professional agent that this principal is a novice when it comes to working with agents. The company is revealing that it has no agents at present, and this pre-

sumed lack of experience is a definite barrier to attracting a professional sales representative. Most agents have, at one time or another, signed on with a firm new to the agency style of marketing and are painfully aware of the many problems that can occur in a start-up program. Agents prefer to align themselves with companies that are veterans of the agent-principal relationship. We will discover how to create a more positive impression later.

The term "aggressive" denotes a certain lack of perception about the agent's method of doing business. The word suggests that one particular characteristic is necessary to generate sales. Agents exist solely on commissions and thus must generate sales whether their approach fits into an aggressive mold or not. Your best prospective agent may be one who has succeeded by working smart instead of aggressively.

"We have expanded our facilities," or words to that effect are used so often in ads that it seems all manufacturers use the same copywriter. This bit of information does not affect the prospective reader in the fashion that is expected. What it says to the agent is that your company has spent money on new or expanded facilities and some lucky agent will now earn the dubious opportunity to pioneer your product in his territory at no cost to you, but with considerable investment in time and money by his sales agency. Incidentally, it is often mentioned at the MANA seminars that this "pioneering" cost can run from \$25,000 to upwards of \$50,000, with no assurance of recouping any of that investment in future commissions.

Avoid Red Flags

Finally, asking for a reply to a box number further dilutes any interest an agent might have had. He or she has no idea in what part of the country — or what country — your plant is located. This can have a real bearing on the decision to reply to your ad. Some sales representatives simply mistrust companies that will not identify themselves in an ad. This characteristic sends up a red flag to the agent, who worries that a tendency toward secrecy may mean trouble in future relations with such a principal.

Now, what has the advertiser left out of the ad that prospective agents would like to know? Later in this article we'll present advertising criteria, listing areas that are important to an agent looking for a line, but first we'll highlight a few "trigger" items that are sure to attract attention.

Possibly the key fact you can present is whether or not you're working with agents now. Without this knowledge or with a concern that your company is a beginner in this field, a prospective candidate is bound to be wary of answering your ad.

Another matter of vital interest is the support that is available to the agent in terms of capable inside personnel and company willingness to visit the territory when their assistance is needed.

Highlighting your existing business in the territory tells an agent that you can be competitive in his area. Yes, you will attract some agents interested basically in easy commissions, but the professional agent will also pay more attention to your solicitation when he knows you have some knowledge of the business climate in his backyard.

The above appraisal of current manufacturers' advertising practices when seeking agents indicates that there is much to be gained by taking the time to create ads that will motivate agents to respond to your search. By placing yourself in the position of your audience — a requisite for all successful advertising — you can easily comprehend the characteristics of copy that will draw responses from professional agents.

Highlighting your existing business in the territory tells an agent that you can be competitive.

Can You Sell Industrial Machinery?

If you're a professional agent in MANA areas 13 or 15 and want to join a successful team, we have some real incentives for you! A company with 15 agencies now averaging \$28,000 a year with our line. Proven competitiveness nationwide. (Ask for examples in your area.) A contract that rewards you for your years of service. Continuing advertising and sales promotion and a customer-friendly web site. A commission schedule that's the best in our industry. There's lots more, but let's talk first. Tell us about your sales agency — where it is and where it's going. We'll respond promptly, and if your goals coincide with ours we'll arrange for an interview. Reply to:

**John F. Temple, Sales Manager
HMC Industrial Machinery Co.
8484 South Main St.
Salem, Missouri 11112
(922) 877-1022 • Fax: (922) 979-1023
E-mail: jtemple@hmcindustrial.com
www.hmcindustrial.com**

What kind of an ad will tell the agent what he wants to hear? Ad #2 is an ad that will sell an agent on replying.

Here we've eliminated "Manufacturers' Agents Wanted," and arrived at the real message, "Can you sell industrial machinery?" We've also told the prospective agent that he's among friends; he'll be working with a firm that already has 15 agents who are making good commissions.

If you're just starting with agents, you can't boast about current success, but you can say that you're targeting MANA areas 13 and 15. This disguises the fact that you're new to agency marketing and is also good business practice. Firms just beginning to market through agents should start cautiously, in two or three territories. This approach will limit your early mistakes — and you will make some — to just two or three sales representatives. As you learn the do's and don'ts of the business, you can expand into more territories.

"Proven competitiveness" is a real attention-getter. Lack of this vital advantage is one of the major worries of sales agents seeking new lines. The introduction of a new line means a real investment of an agent's time in learning the new products and, as mentioned above, involves a fair monetary expenditure. If you can demonstrate this point, you'll go a

long way toward creating interest on the part of the reader. But be able to prove it! If you can't give examples in the prospective agent's territory, have other proof available that leaves no doubt about your ability to meet competition.

Extended Termination

An increasingly common feature of today's contracts is an extension of the termination clause to reward long-term relationships. If your contract has a 30-day termination stipulation without some room for a longer termination period, interest will lag. Some firms extend the termination period 30 days for each year of service, up to a year. There are many variations on this basic theme that will make your contract look more attractive.

Advertising and sales promotion are two features that always attract attention, provided they're not just window dressing. Proving that you have ongoing programs to develop sales leads is very helpful. Today it is difficult to virtually impossible to get results from cold calls; sales leads give direction to a sales call and make appointments easier to obtain.

Another profitable aspect of an advertising program can be how you handle sales inquiries. Keeping the agent in the loop when responding to web inquiries is appreciated. You probably know the going commission rate for your product. Bump it up just slightly, or more. You'd be surprised what a difference it will make. Or pay a bonus for new accounts, or a higher commission for a year for a new customer. Don't be a follower, be a leader.

At this point leave the door open for further discussion; ask the agent to respond with ideas of what he or she can do for you.

The sample ad makes it clear who you are and where you are. Don't hesitate to take phone calls, but ask for a response in writing. Showing your e-mail address or fax number encourages prompt replies.

Advertising and sales promotion are two features that always attract attention, provided they're not just window dressing. Proving that you have ongoing programs to develop sales leads is very helpful.

ABOUT THE AUTHOR:

William H. (Bill) Krause, past chairman of the MANA board and District 7 director, was the co-founder of Momentum Metals, Inc., Dallas, Texas. The two-person agency sells metal components to the OEM market in Texas and Oklahoma. The author of two books about manufacturers' agents (published by the American Management Association), Krause, who died in 2005, also was the founder and former editor of "RepLetter," now "Manufacturer's Corner," published in Agency Sales magazine. He joined MANA in 1972 and succeeded his partner, Dave Braack, on the board in 1992.

This article was revised and updated by Jay Ownby, MANA's manager of strategic alliances.

These are some of the things agents want to know when they read an ad soliciting representation for their area. There are other questions you can anticipate depending upon your company's position on these points. In summary, below are some items that you can consider when placing your next ad for agents.

Advertising Criteria

- Do you currently sell nationally or regionally?
- Can you be competitive in our area?
- How long have you worked with sales agents?
- What is the average tenure of your sales agents?
- Why are you looking for agents in our area?
- What type of advertising and sales promotion do you offer?
- How complete and user-friendly is your web site?
- What kind of field service can we expect?
- What are your lead times?
- How many inside sales support personnel?
- Tell us about your contract.
- Do you have any existing customers in our area?
- May we contact several of your current agents?

The relationship between a manufacturer and its representatives resembles a partnership rather than a boss-employee relationship. Keep this philosophy in mind when creating your next advertisement for manufacturers' representatives, and you'll design an appeal that should prompt responses that will make your advertising dollar worthwhile. □

Copyright © 2007, Manufacturers' Agents National Association

One Spectrum Pointe, Suite 150, Lake Forest, CA 92630-2283 • Phone: (949) 859-4040 • Toll-free: (877) 626-2776 • Fax: (949) 855-2973
E-mail: MANA@MANAonline.org • Web site: www.MANAonline.org • All rights reserved. Reproduction without permission is strictly prohibited.