Simplifying The Sales Process For The Rep

by DON HABERMAN

This article is reprinted with permission from the January 2007 issue of GHTA Gift Talk, the newsletter of the Gift & Home Trade Association. While the subject matter is directed to members of that association, it's clear that many of the concerns written here are shared by reps working in all industries.

uring my 34 years as a rep in the gift industry, I have found it interesting to listen to manufacturers discuss their relationships with reps. Although manufacturers find reps a necessary evil, I think they find this segment of their business to be the most frustrating! It's an area largely out of their control, as agencies, and usually the road reps that work for the agencies, are independent contractors selling numerous other lines. A manufacturer once told me that he had an Atlanta agency with 10 road reps and only three of the reps actually sold the line, so he hired a new agency with 30 road reps and now he has 10 reps actually selling their line. The

manufacturer felt pleased with his progress, but still frustrated with the situation. He asked, "Why don't all the reps sell my line?"

I was fortunate to have an office manager with my company for more than 20 years. When she decided to retire about five years ago, I hired her husband as a consultant to help me hire a new office manager. He had recently retired from a Fortune 500 company where he had spent 40 years hiring and training personnel. His first task was to analyze my business and write a job description for the new office manager's position. After a few days in our office learning the business and observing our staff, he concluded that the job as office manager was

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actually quite complex, and finding the right candidate wasn't going to be easy. In his opinion, the most challenging part of the business was working with the multitude of manufacturers that we represented. Every manufacturer had different policies, catalogs, supplements, price lists, discounts, promotions and a whole list of personnel at each company to interact with. He concluded that although we were selling non-technical and fairly simple products, the candidate we sought for this position required extraordinary organizational skills. I think we can come to the same conclusion for the road reps that are selling giftware! It is a much tougher job selling multiple lines than most manufacturers appreciate! The multi-line road rep needs to be exceptionally organized and well-trained!

Considering the Cost Factor

So let's assume that you've decided that hiring your own direct sales force with salaries and benefits might sound good, but obviously isn't in the cards. If you want your business to survive, you have to keep working with independent reps. In reality, every manufacturer is competing with the other lines in the rep's bag. One solution might be to use the stick method and brow-beat the reps on a daily or weekly basis to make sure their line gets out of the bag. This can be effective in certain situations depending on the strength of the line. However, in my opinion, there's a much better method — simplify the selling process for the rep! But you say, "My line is simple to sell, I do it every day!" You might perceive your selling process to be simple and efficient, but maybe you need to review exactly what your process is and how easy it is for your road reps to implement. Following are examples of polices and procedures that make selling a line more difficult. Don't misunderstand me, some of these processes might not be the best solution for your business. My point is that each of these procedures adds work or is a roadblock for your road rep in doing business in an efficient and productive manner: • The bean counter in your office might think a six-page credit application makes sense. I doubt that his previous job was a rep in the gift industry. However, don't be so sure that you aren't discouraging your reps from opening new accounts because it's too much hassle! New accounts are the lifeblood of any business and establishing credit has to be as painless as possible for both the customer and the rep.

• Not pricing catalogs with wholesale prices and supplying a

price list might be the most flexible and cost-efficient method for the manufacturer, but it's not for the rep. The better reps price their road catalogs to maximize their productivity with the customer. The best reps even price catalogs to leave with their best customers! If your line has hundreds or thousands of items, the time spent pricing catalogs by your road reps can be costly and unproductive for you!

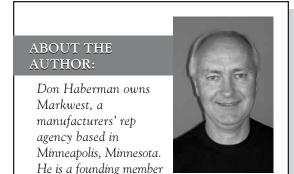
• Your 14-digit item code with both letters and numbers might make sense to you, but it slows down the selling process, causes errors and kills sales. If you have fewer than 10,000 items in your line, why do you need more than four digits? And please forget the letters!

• I often hear manufacturers proudly say that they send out an inventory list every week to the reps, so the reps can make sure they are only selling in-stock items. Sorry, but if you think your reps are referring to your updated list every time they write an order, you are mistaken! The selling process is challenging enough without having to look up the stock level of every item on every order. The rep's job is to sell it, the vendor's job is to ship it within a reasonable time!

• Only empowering your sales manager to make everyday decisions such as a discount, free freight or return of merchandise is not a good policy. A timely answer will many times make the difference between making a sale and losing a sale. However, sales managers are many times not readily available because they're traveling or in meetings. How about promoting your best cusOnly empowering your sales manager to make everyday decisions such as a discount, free freight or return of merchandise is not a good policy. A timely answer will many times make the difference between making a sale and losing a sale.

tomer service person to "sales coordinator" and empowering him or her to help your reps when a quick answer is needed?

If your reps sold only one line, these issues would probably not be relevant. But multiply these road blocks by the number of lines the rep is selling and all of this extra work adds up to lost sales! Here's the point — simplify the process, and your reps will respond by pulling your line out of their bag and producing more sales for your company!



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