

The Thinking Salesman Letter

Sept. 1, 2011

Hello Everybody,

Al Brosseau, forty years identifying, setting up and administering distribution networks across the USA, Canada and Latin America as salesman, sales mgr., independent rep and now consultant.

Our Mission:

To openly discuss and challenge all aspects of sales and distribution and to promote the sales profession.

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Former President, ALBRO Export & Marketing, Inc.
Former CSI (Vermont chapter) & CDT
CPMR (Indiana U., 2003)
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On the Firing Line

*(None of this stuff is made up,
the names may have been omitted to protect the guilty)*

Email recently received from a Rep:

Al... I just got the single biggest order I have ever gotten in thirty years in the business. I just got the P.O. for the opening order yesterday. It could be huge, but as you know, don't buy the Porsche until the check has cleared the bank. It is [industry] work for one of my Chinese companies, so it could really be very large. We have our fingers crossed. I have been working on this one for over three years.

...We have given up the rep business. We have become brokers and have been doing it for about 5 years. We buy the parts, mark them up and resell them to our customers. We make a lot more than 5 % commission and we always get paid. Someday we should get together and discuss things in detail. We actually get 75% of our income from brokering jobs from China, Taiwan and Singapore. Stay in touch.

He's adapting i.e. he'll not only survive but thrive. Those, **both Reps and Manufacturers**, who insist on doing business in the traditional Rep business model, are in for a rough ride...

A sales manager who has been trying to recruit Reps without much success contacted us to, as he put it, "to pick our brains".

While we were on the subject of the Rep agreement, we mentioned that the usual "30 day cancellation notice" is a major irritant for most reps.

He retorted "*employees can be terminated on even shorter notice...*" As if what's wrong with a 30 day cancellation notice?

We wish we would have done a better job at explaining what he and too many Sales Mgr. fail to understand in their relations with Reps:

- The **capital investment** such as offices, cars, personnel etc. the Rep has invested and **brings to his Principals**.
- The years in developing **ongoing relationships, trust** and **deep knowledge** of their customers' internal culture and systems.

Another disaster in the making... And the Reps will be blamed for the ignorance of others.

Four Types of Reps

We've been lampooning the different types of sales managers so in all fairness now, it's our turn.

We have identified four basic types of Reps:

- The Pro.
- The schlock.
- The Fired Sales Mgr.
- The Retiree.

The Pro

- He wears two hats, he's a salesman but **foremost, he's a businessman**.
- Works out marketing plans, budgets and support programs with his Principals and he keeps them abreast of market conditions and opportunities.
- Organized, good communicator, excellent listener, he plans his time and **sets his own objectives**.
- He makes sure he does not get into a rut by making sure every day he's on the road he calls on at least one customer who's out of his normal route or who gives him a hard time.
- **Half way through the month he knows which objectives he'll meet and which ones are lagging allowing him to take early corrective actions**.
- In order to keep ahead of "the curve" he takes professional development courses.
- Has an excellent nose for recognizing Dinosaurs, Control Freaks and Manipulators. (*for definitions of these, see Aug 1 & 15 issues*)

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The schlock

- He picks up lines hoping he'll stumble on a gold mine.
- He's organizationally challenged; comes Monday morning, he still has not figured out if he'll turn left or right at the bottom of if his driveway.
- The schlock can be cunning. He'll develop techniques that will create the impression of activities such as asking his Principals for additional brochures while he still has piles in his garage.
- The schlock relies on luck.

The Fired Sales Mgr

- This specie surfaces soon after being liberated to entrepreneurship.
- He pretends he's a Mfrs' Rep but his real objective is to secure a pay check.
- He will fool some Dinosaurs or others until he lands a job. He tends to repeat this process several times during his life span.

The Retiree.

- He's a cross between the "schlock" and the "Fired Sales Mgr."
- He tries to supplement his diet by "representing" companies in his new habitat. The fact he's not familiar with the local distribution chain puts him at a great disadvantage but he's counting on finding Mfrs. who will not think of this important aspect (and regrettably he will find several)
- His natural habitat is trailer parks in Arizona, Florida and Fresno.

Customer: How many Reps does it take to change a light bulb?
Rep: I don't know but I'll find out.

Whisky Tango Foxtrot Moment

"Dirty Little Secrets" by Sharon Drew Morgen. Most interesting, but also revealing about Reps.

The book shows that a seller, in order to sell must first and foremost understand the internal politics and pressures a buyer is under, that is, who will be impacted by the purchase, who controls budgets, who might torpedo the change, etc. Then use this knowledge to help the buyer make the right decision for him and his company. By doing so the sellers will close more sales, reduce their sales cycles and will stop wasting time on dead end prospects. Ms. Morgen points out no seller can be aware of all the internal politics and pressures a buyer is under but she offers helpful probing questions and examples.

Ms. Morgen's approach goes beyond the "customer intimacy" Reps are known for. It's a natural extension of our close relationships with our customers. A terrific eye opener.

"I just wish she could have provided us with a "how to" approach applicable to all situations rather than only examples. Hopefully, it will be her next book.

Thought:

Our job is to find those who do need our product, not create a buyer from an unqualified prospect.

Selling With Integrity by Sharon Drew Morgen

Next issue, Sept. 15, 2011,

Promoting "upstream".

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