
Koreans Learn About Reps

On behalf of MANA, Dennis Means presented a three-hour educational seminar on the concept of using manufacturers' representatives to the Korean International Trade Association (KITA) in Seoul, Korea.



Korean manufacturers listen carefully ...

A specially-invited audience of KITA members, representing 95 Korean companies, attended the program at the Korean World Trade Center in the heart of Seoul.

The audience quickly realized the tremendous advantages of using manufacturers' representatives versus using a direct, company employee sales force.

According to Mr. Young-soo Rhee, manager of KITA's Overseas Marketing Division, the presentation by Mr. Means was very successful and the attending membership is very interested in beginning a long-term relationship with MANA in order to develop contacts between Korean companies and U.S.-based manufacturers' agencies.

"Mr. Means did an excellent job of erasing the substantial concerns that our member companies have had in overseas marketing ... and he provided lots of interest and enthusiasm in establishing relationships between Korean manufacturers and MANA members. He has earned our trust, and we are very grateful for the effort he put forth to educate and encourage us regarding the existence and effectiveness of the agents in their sales and marketing."

The Korean International Trade Association includes over 60,000 members of manufacturers and suppliers throughout Korea. The goal of KITA is to provide support to all its members in their international efforts and "finding the shortest route to overseas markets."

Dennis' presentation highlighted the following subjects:

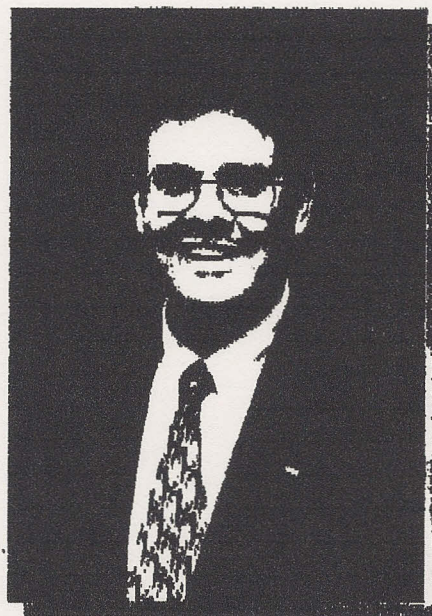
- The Value of Using Manufacturers' Agents

- Advantages and Shortcomings of the Agency Method of Marketing
- Contracting With Agents
- Sustaining the Manufacturer-Agent Relationship

The audience listened to Dennis' presentation via an interpreter. They wore headphones and followed a translated booklet that included Dennis' entire presentation, notes and copies of his overhead transparencies.

"It was like making a speech to the United Nations — the interpreters were excellent and everyone had a translated copy of the presentation that I had prepared and sent to KITA a few weeks ahead of time," said Dennis upon his return in early June.

MANA will continue a dialog with KITA over the next few months in order to continue this first step toward educating international service organizations on the benefits of the manufacturer-agent method of marketing and sales. □



Dennis Means is vice president and general manager of Imperial in Niles, Illinois, and a MANA seminar speaker representing The Marketing Company, Brecksville, Ohio.



... as Dennis Means shares "the shortest route to overseas markets."

A Marketing Audit Checklist

by DENNIS W. MEANS

The basic goal of every business is to attract customers continuously. It takes more than a good product or service — it takes serious planning and committed people working the plan.

Too often many businesses, regardless of size, have neglected the key ingredients for success — the general business plan and particularly the marketing plan.

Most business plans get old and dusty until some event forces another look and update. Within the business plan is the heart and soul of the company's driving force — the marketing plan.

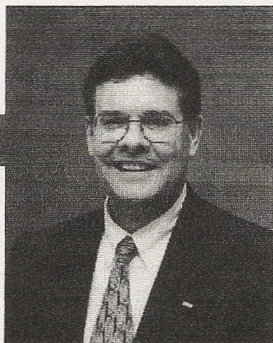
In these days of accelerated and dynamic changes in the needs, wants and attitudes of customers, channels and markets, it is critical to establish and update company marketing plans continuously. It should be as active as the marketplace. Something as simple as a new product, price increase or competitive policy change should be a catalyst for reviewing and revising the marketing plan.

However, many times we get too busy or don't have the manpower or professional talent to detect and make these vital alterations to the fabric of the marketing plan.

In order to help this process, the following marketing audit checklist is offered as a guideline to stimulate the necessary and demanding thinking that is required for the development of a marketing plan.

ABOUT THE AUTHOR:

Dennis W. Means is a marketing consultant specializing in the creation of market value for manufacturing companies and manufacturers' sales agencies of all sizes. His experience as an executive vice president, vice president and general manager, vice president of marketing and sales, and board of directors member as well as specific skills in strategic business planning, marketing, sales, product management, advertising and international market growth for major privately owned and Fortune 500 companies provides a professional and innovative approach to successful market development. Dennis earned an MBA from Baldwin Wallace College. He has written many articles relating to marketing, sales and planning. He is also a seminar speaker for both business and trade associations.



Marketing Audit Checklist

- Business plan written
- Market analyzed
 - Target market identified:
 - Industry analysis completed
 - Market segment and niche identified
 - Company strengths, weaknesses, opportunities and potential threats have been analyzed
 - Prospects and customers profiled
 - Target prospects and customers identified

- Customer needs and wants analyzed
- Customer purchasing "influencers" identified
- Competitive information gathered and compared
 - Terms and conditions
 - Pricing
 - Delivery and service
 - Market objectives
- Product is properly positioned in the market
 - Product life cycle analyzed
 - Know how product is perceived in market
 - Return on investment objective set
 - Product breadth and depth determined
- Cost and pricing objectives established
 - Unit cost(s) analyzed and known
 - Price elasticity analyzed
 - Pricing strategies determined
 - Promotional tools identified (discounts, allowances, freight, etc.)
- Risk analysis performed
 - Specific business risks determined
 - Environmental risks identified
 - Economic risks analyzed
- Plan and budget established for marketing communications
 - Communication objectives for target market
 - Tracking and evaluation criteria established
 - Sales Promotion
 - Objectives and strategy
 - Sales literature
 - Differentiation theme/implementation objective
 - Advertising and public relations
 - Salient features and benefits established for target audiences(s)
 - Media mix strategy determined
 - Image of company is consistent and creative
 - Trade show(s) share and illustrate the plan
 - Customer service policies/plan established
 - Periodically evaluated to meet customer needs

- Sales Plan
 - Sales Forecasting Plan/Technique established
 - Reps develop "ground-up" forecast with key customers
 - Sales data captured and automation implemented
 - Measurement and evaluation process in place
 - Sales Management strategies and objectives
 - Sales goal(s) and action plan per key customer written
 - Top management understand stages of successful selling
 - Sales channel(s) and distribution methods/pricing evaluated
 - Competitive comparison matrix
 - Strategy for penetrating new markets

The marketing plan provides the direction necessary for everyone in your business. It is the key to running a successful company. Consistency, clarity, creativity and goal orientation in your company's marketing plan provide the focus for all employees and their work toward common goals. For example, those employees involved with production, scheduling, inventory and shipping in a manufacturing company need to be consulted in order to ensure that production deadlines and product deliveries are feasible before a product promotion is launched or a new product is introduced.

The marketing plan process fosters an examination of the internal and external workings of the company's engine — sales. A professional marketing plan provides the objectives, strategies and tactics necessary to operate and adjust to the possibilities and opportunities in the marketplace.

Keep your marketing plan fresh and take the time to actively listen to what the customer wants, then implement the requests in a creative manner. It is the key to long-term growth for every company. □

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Manufacturers Corner

The Newsletter For Sales Executives
Who Use Manufacturers' Representatives

Sharing best practices to help you get the most from your rep partnership

THE RETOOLING PROCESS

MANA member Dennis Means recently came across a book entitled *Wooden: A Lifetime of Observations and Reflections on and off the Court*, by former UCLA basketball coach John Wooden. From that book, he derived a number of observations he felt were especially applicable to the manufacturing community — especially for those manufacturers who already avail themselves of the services of manufacturers' representatives. His thoughts follow:

Good teams find it absolutely necessary to retool from time to time. Maximizing the team performance is the goal.

John Wooden, the great basketball coach who led UCLA to 10 NCAA National Championships, provided us with the template for maximizing performance — "teamwork, personal excellence, discipline, focus, organization and leadership."

During his successful career, Coach Wooden made retooling a key ingredient in player and team performance.

The same holds true for a rep network. The principal (coach) wants every manufacturers' representative (player) to perform as part of the team for mutual success.

However, periodically there comes a time when a rep, for whatever reason, is not performing to the level of expectation in the eyes of the principal.

At this point it is the responsibility of the principal to take immediate action to ensure that they have kept up their part of the bargain. Principals must evaluate

themselves first and do an internal and external audit to make sure that they have done everything possible to achieve a high standard in the relationship.

The evaluation must include the following:

- Reviewing the rep agreement for adherence and any necessary updates.
- Products and services that continually meet market and customer expectations.
- Good communication and direction.
- Treating the rep as a true partner and an integral part of the team.
- Paying commissions on time.
- Complete internal support from the entire organization.
- Feedback from other reps in the rep network on how the company is performing overall.

Once this self-evaluation is made, then and only then is it time to discuss the situation with the rep and zero in on any issues that require attention and corrective action.

Hopefully, the results of this effort will produce the performance desired in a mutually agreed upon time period and a negative situation can be turned into a positive situation.

However, when all else fails and it is time to say goodbye to the weakest link — it must be done in a professional manner. Review the rep agreement with an attorney (preferably with one versed in rep agreement laws). Follow their instructions on termination of the agreement.

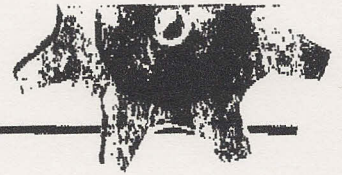
Next, begin the retooling process by developing current rep criteria and a rep profile that fits your organization. This retooling process can be done internally or by an outside company that has the experience to qualify and expedite the selection of rep candidates.

The advantage of using an outside company to help in identifying, interviewing and selecting rep candidates is that the entire process can be conducted in a professional, timesaving, cost-effective manner.

An outside company and its professional, third-party approach provides the principal with the objectivity required to interview, qualify and select final rep candidates that will upgrade the performance in the territory and overall rep network.

The objective, whether the principal does the time-consuming work involved or an outside company does the work involved, is to find and partner with the best rep or rep agency available.

Retooling a rep network is an important and necessary part of doing business. If done poorly it can lead to a tarnished image that can take years to correct. If done properly, it can provide new life, new growth and new enthusiasm to an organization.



After the new reps have been selected and brought into the organization, it is a good policy to advise the other rep members in the network about the change and review the fairness and professional manner in which the process was conducted. This will reassure the entire rep network that there are no surprises or irrational changes in the future.

It is also an opportunity to review goals, objectives and obtain feedback on the current marketing and sales approach in order to strengthen the relationship with the rep network and determine any issues that need to be addressed.

It all boils down to continuous improvement. The principal must continually improve their efforts and the reps must continually improve their efforts in order for the team to improve.

As we all know — nothing stays the same. The retooling process is a proactive approach that strives to obtain the winning combination of "personal excellence, discipline, focus, organization and teamwork" in the principal and manufacturers' representative relationship.

Dennis W. Means is a marketing consultant specializing in the creation of market value for manufacturing companies through professional sales representatives. He has written many articles relating to marketing, sales, planning and the outsourced sales method. He also is a seminar speaker for both business and trade associations interested in the identification, recruitment and long-term relationship building for success with manufacturers' representatives. He can be reached at The Marketing Company by e-mail at: dwmntmc@aol.com.