
Sales Representatives, Wholesale and Manufacturing

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Significant Points

- Competition for jobs is expected, but opportunities will be best for those with a college degree, the appropriate technical expertise, and the personal traits necessary for successful selling.
- Job prospects for sales representatives will be better for those working with essential goods, since the demand for these products do not fluctuate with the economy.
- Earnings of sales representatives are relatively high and usually are based on a combination of salary and commission.

Nature of the Work

Sales representatives are an important part of manufacturers' and wholesalers' success. Regardless of the type of product they sell, sales representatives' primary duties are to make wholesale and retail buyers and purchasing agents interested in their merchandise and to address any of their clients' questions and concerns. Sales representatives demonstrate their products and explain how using those products can reduce costs and increase sales.

Sales representatives may represent one or several manufacturers or wholesale distributors by selling one product or a complementary line of products. The clients of sales representatives span almost every industry and include other manufacturers, wholesale and retail establishments, construction contractors, and government agencies. (Retail salespersons, who



Sales representatives may travel to meet with prospective clients to discuss products and their uses.

sell directly to consumers, and sales engineers, who specialize in sales of technical products and services, are discussed elsewhere in the *Handbook*.)

The process of promoting and selling products can take up to several months. Sales representatives present their products to a customer and negotiate the sale. Whether in person or over the phone, they can make a persuasive sales pitch and often will immediately answer technical and non-technical questions about the products. They may also record any interactions with clients and their respective sales to better match their future needs and sales potential.

There are two major categories of products that sales representatives work with: technical and scientific products and all products except technical and scientific products. Technical and scientific products may include anything from agricultural and mechanical equipment to electrical and pharmaceutical goods. Products included in the later category are more everyday items, including goods such as food, office supplies, and apparel.

Sales representatives stay abreast of new products and the changing needs of their customers in a variety of ways. They attend trade shows at which new products and technologies are showcased. They also attend conferences and conventions to meet other sales representatives and clients and discuss new product developments. In addition, the entire sales force may participate in company-sponsored meetings to review sales performance, product development, sales goals, and profitability.

Frequently, sales representatives who lack the necessary expertise about a given product may team with a technical expert. In this arrangement, the technical expert—sometimes a sales engineer—attends the sales presentation to explain the product and answer questions or concerns. The sales representative makes the preliminary contact with customers, introduces the company's product, and closes the sale. The representative is then able to spend more time maintaining and soliciting accounts and less time acquiring technical knowledge. After the sale, representatives may make follow-up visits to ensure that the equipment is functioning properly and may even help train customers' employees to operate and maintain new equipment. Those selling technical goods may also help set up the installation. Those selling consumer goods often suggest how and where merchandise should be displayed. When working with retailers, they may help arrange promotional programs, store displays, and advertising.

Obtaining new accounts is an important part of the job for all sales representatives. Sales representatives follow leads from other clients, track advertisements in trade journals, participate in trade shows and conferences, and may visit potential clients unannounced. In addition, they may spend time meeting with and entertaining prospective clients during evenings and weekends.

Sales representatives have several duties beyond selling products. They analyze sales statistics; prepare reports; and handle administrative duties, such as filing expense accounts, scheduling appointments, and making travel plans. They also read about new and existing products and monitor the sales, prices, and products of their competitors.

Sales representatives, regardless of where they are employed, may work in either inside sales or outside "field" sales. *Inside sales representatives* may spend a lot of their time on the phone, taking orders and resolving any problems or complaints about the merchandise. These sales representatives typically do not

leave the office. *Outside sales representatives* spend much of their time traveling to and visiting with current clients and prospective buyers. During a sales call, they discuss the client's needs and suggest how their merchandise or services can meet those needs. They may show samples or catalogs that describe items their company stocks and inform customers about prices, availability, and ways in which their products can save money and boost productivity. Given that a number of manufacturers and wholesalers sell similar products, sales representatives must emphasize any unique qualities of their products and services. Since many sales representatives sell several complementary products made by different manufacturers, they may take a broad approach to their customers' business. For example, sales representatives may help install new equipment and train employees in its use.

Sales representatives working at an independent sales agency usually sell several products from multiple manufacturers. Additionally, these firms may only cover a certain territory, ranging from local areas to several States. These independent firms are called "manufacturers' representative companies" because their selling is on behalf of the manufacturers.

Depending on where they work, sales representatives may have different job titles. *Manufacturers' agents* or *manufacturers' representatives*, for example, are self-employed sales workers who own independent firms which contract their services to all types of manufacturing companies.

Work environment. Some sales representatives have large territories and travel considerably. Because a sales region may cover several States, representatives may be away from home for several days or weeks at a time. Others work near their home base and travel mostly by car. Sales representatives often are on their feet for long periods and may carry heavy sample products, necessitating some physical stamina.

Sales representatives may work more than 40 hours per week because of the nature of the work and the amount of travel. Since sales calls take place during regular working hours, most of the planning and paperwork involved with sales must be completed during the evening and on the weekends. Although the hours are long and often irregular, many sales representatives working for independent sales companies have the freedom to determine their own schedules.

Dealing with different types of people can be stimulating but demanding. Sales representatives often face competition from representatives of other companies. Companies usually set goals or quotas that representatives are expected to meet. Because their earnings depend on commissions, manufacturers' representatives are also under the added pressure to maintain and expand their clientele.

Training, Other Qualifications, and Advancement

Many employers hire individuals with previous sales experience who lack a college degree, but hiring candidates with a college degree is becoming increasingly common. Regardless of educational background, factors such as personality, the ability to sell, and familiarity with brands are essential to being a successful sales representative.

Education and training. Since there is no formal educational requirement for sales representative, their levels of educa-

tion varies. Having a bachelor's degree can be highly desirable, especially for sales representatives who work with technical and scientific products. This is because technological advances result in new and more complex products. Additionally, manufacturers' representatives who start their own independent sales company might have an MBA. As shown in the tabulation below, in 2006 many sales representatives had a bachelor's degree, and many others had some college classes. Some, however, had no degree or formal training, but these workers often had sales experience or potential.

	Percent
High school graduate or less	27
Some college, no degree	19
Associate's degree.....	9
Bachelor's degree.....	38
Graduate degree	6

Many sales representatives attend seminars in sales techniques or take courses in marketing, economics, communication, or even a foreign language to provide the extra edge needed to make sales. Often, companies have formal training programs for beginning sales representatives lasting up to 2 years. However, most businesses accelerate these programs to reduce costs and expedite the returns from training. In some programs, trainees rotate among jobs in plants and offices to learn all phases of production, installation, and distribution of the product. In others, trainees take formal classroom instruction at the plant, followed by on-the-job training under the supervision of a field sales manager.

Regardless of where they work, new employees may get training by accompanying experienced workers on their sales calls. As they gain familiarity with the firm's products and clients, the new workers are given increasing responsibility until they are eventually assigned their own territory. As businesses experience greater competition, representatives face more pressure to produce sales.

Other qualifications. For sales representative jobs, companies seek the best and brightest individuals who have the personality and desire to sell. Those who want to become sales representatives should be goal oriented, persuasive, and able to work well both independently and as part of a team. A pleasant personality and appearance, the ability to communicate well with people, and problem-solving skills are highly valued. Patience and perseverance are also keys to completing a sale, which can take up to several months. Sales representatives also need to be able to work with computers since computers are increasingly used to place and track orders and to monitor inventory levels.

Manufacturers' representatives who operate a sales agency must also manage their business. This requires organizational and general business skills, as well as knowledge of accounting, marketing, and administration. Usually, however, sales representatives gain experience and recognition with a manufacturer or wholesaler before becoming self-employed.

Certification and advancement. Certifications are available that provide formal recognition of the skills of sales representatives, wholesale and manufacturing. Many obtaining certifi-

Projections data from the National Employment Matrix

Occupational Title	SOC Code	Employment, 2006	Projected employment, 2016	Change, 2006-16	
				Number	Percent
Sales representatives, wholesale and manufacturing	41-4000	1,973,000	2,155,000	182,000	9
Sales representatives, wholesale and manufacturing, technical and scientific products	41-4011	411,000	462,000	51,000	12
Sales representatives, wholesale and manufacturing, except technical and scientific products	41-4012	1,562,000	1,693,000	131,000	8

NOTE: Data in this table are rounded. See the discussion of the employment projections table in the *Handbook* introductory chapter on *Occupational Information Included in the Handbook*.

cation in this profession have either the Certified Professional Manufacturers' Representative (CPMR) or the Certified Sales Professional (CSP), offered by the Manufacturers' Representatives Education Research Foundation. Certification typically involves completion of formal training and passing an examination.

Frequently, promotion takes the form of an assignment to a larger account or territory where commissions are likely to be greater. Those who have good sales records and leadership ability may advance to higher level positions such as sales supervisor, district manager, or vice president of sales. Others find opportunities in purchasing, advertising, or marketing research.

Advancement opportunities typically depend on whether the sales representatives are working directly for a manufacturer or wholesaler or if they are working with an independent sales agency. Experienced sales representatives working directly for a manufacturer or wholesaler may move into jobs as sales trainers and instruct new employees on selling techniques and company policies and procedures. Some leave the manufacturer or wholesaler and start their own independent sales company. Those working for an independent sales company can also advance by going into business for themselves or by receiving higher pay.

Employment

Manufacturers' and wholesale sales representatives held about 2 million jobs in 2006. About 21 percent worked with technical and scientific products. Almost 60 percent of all representatives worked in wholesale trade. Others were employed in manufacturing, retail trade, information, and construction. Because of the diversity of products and services sold, employment opportunities are available throughout the country in a wide range of industries. In addition to those working directly for a firm, some sales representatives are self-employed manufacturers' agents. They often form small sales firms that may start with just themselves and gradually grow to employ a small staff.

Job Outlook

Job growth of sales representatives, wholesale and manufacturing, is expected to be average, but keen competition is expected for these highly paid sales jobs.

Employment change. Employment of sales representatives, wholesale and manufacturing, is expected to grow by 9 percent between 2006 and 2016, which is about as fast as the average for all occupations. Given the size of this occupation, a large number of new jobs, about 182,000 will arise over the projec-

tions decade. This is primarily because of continued growth in the variety and number of goods sold throughout the economy. Technological progress will also have an impact on job growth. Sales representatives can help ensure that retailers offer the latest technology available to their customers or that businesses acquire the right technical products that will increase their efficiency in operations. Advances in technology will therefore lead to more products being demanded and sold, and thus growth in the sales representative profession.

At the same time, however, computers and other information technology are also making sales representatives more effective and productive, allowing sales representatives to handle more clients, and thus hindering job growth somewhat.

Employment growth will be greatest in independent sales companies as manufacturers and wholesalers continue to outsource sales activities to independent agents rather than using in-house or direct sales workers. Independent agent companies are paid only if they sell, a practice that reduces the overhead cost to their clients. Also, by using agents who usually contract their services to more than one company, companies can share costs of the agents with each other. As the customers of independent agents continue to merge with other companies, independent agent companies and other wholesale trade firms will also merge with each other in response to better serve their clients.

Job prospects. Earnings of sales representatives, wholesale and manufacturing are relatively high, especially for those selling technical and scientific products, so keen competition is likely for jobs. Prospects will be best for those with a solid technical background and the personal traits necessary for successful selling. Opportunities will be better for sales representatives working for an independent sales company as opposed to working directly for a manufacturer because manufacturers are expected to continue contracting out field sales duties.

Opportunities for sales representatives in manufacturing are likely to be best for those selling products for which there is strong demand. Jobs will be most plentiful in small wholesale and manufacturing firms because a growing number of these companies will rely on agents to market their products as a way to control their costs and expand their customer base.

Employment opportunities and earnings may fluctuate from year to year because sales are affected by changing economic conditions, legislative issues, and consumer preferences. Also, many job openings will result from the need to replace workers who transfer to other occupations or leave the labor force.

Earnings

Median annual earnings of wage and salary sales representatives, wholesale and manufacturing, technical and scientific products, were \$64,440, including commissions, in May 2006. The middle 50 percent earned between \$45,630 and \$91,090 a year. The lowest 10 percent earned less than \$33,410, and the highest 10 percent earned more than \$121,850 a year. Median annual earnings in the industries employing the largest numbers of sales representatives, technical and scientific products, were as follows:

Computer systems design and related services	\$75,240
Wholesale electronic markets and agents and brokers.....	69,510
Professional and commercial equipment and supplies merchant wholesalers	67,700
Drugs and druggists' sundries merchant wholesalers	66,210
Electrical and electronic goods merchant wholesalers	61,000

Median annual earnings of wage and salary sales representatives, wholesale and manufacturing, except technical and scientific products, were \$49,610, including commission, in May 2006. The middle 50 percent earned between \$35,460 and \$71,650 a year. The lowest 10 percent earned less than \$26,030, and the highest 10 percent earned more than \$101,030 a year. Median annual earnings in the industries employing the largest numbers of sales representatives, except technical and scientific products, were as follows:

Wholesale electronic markets and agents and brokers.....	\$54,900
Professional and commercial equipment and supplies merchant wholesalers	49,730
Machinery, equipment, and supplies merchant wholesalers.....	48,620
Grocery and related product wholesalers.....	46,150
Miscellaneous nondurable goods merchant wholesalers	42,530

Compensation methods for those representatives working for an independent sales company vary significantly by the type of firm and the product sold. Most employers use a combination

of salary and commissions or salary plus bonus. Commissions usually are based on the amount of sales, whereas bonuses may depend on individual performance, on the performance of all sales workers in the group or district, or on the company's performance. Unlike those working directly for a manufacturer or wholesaler, sales representatives working for an independent sales company usually are not reimbursed for expenses. Depending on the type of product or products they are selling, their experience in the field, and the number of clients they have, they can earn significantly more or less than those working in direct sales for a manufacturer or wholesaler.

In addition to their earnings, sales representatives working directly for a manufacturer or wholesaler usually are reimbursed for expenses such as transportation costs, meals, hotels, and entertaining customers. They often receive benefits such as health and life insurance, pension plans, vacation and sick leave, personal use of a company car, and frequent flyer mileage. Some companies offer incentives such as free vacation trips or gifts for outstanding sales workers.

Related Occupations

Sales representatives, wholesale and manufacturing, must have sales ability and knowledge of the products they sell. Other occupations that require similar skills include advertising, marketing, promotions, public relations, and sales managers; insurance sales agents; purchasing managers, buyers, and purchasing agents; real estate brokers and sales agents; retail salespersons; sales engineers; and securities, commodities, and financial services sales agents.

Sources of Additional Information

Information on careers for manufacturers' representatives and sales agents is available from:

► Manufacturers' Agents National Association, One Spectrum Pointe, Suite 150, Lake Forest, CA 92630.

Internet: <http://www.manaonline.org>

► Manufacturers' Representatives Educational Research Foundation, 8329 Cole St., Arvada, CO 80005.

Internet: <http://www.mreref.org>