

THE EFC CEMRA REP ADVANTAGE

CEMRA is a group of third-party manufacturers' sales representatives who possess a unique set of characteristics that sets them apart from the rest. These businesses have a growth mindset and are community minded. Their desire to join CEMRA and EFC is based on developing themselves and their businesses via best practices, workforce development and business and market intelligence. Their focus on community is demonstrated in their activities to elevate the professionalism and effectiveness of CEMRA members while also networking with and supporting the manufacturer and distributor communities. These attributes of a CEMRA member are layered on top of the benefits of a third-party sales model described below.

Going to market with CEMRA reps

Get instant access to local market knowledge: 'Street smarts' is critical to market success. Each market is different with varying influencers and channel dynamics making it necessary to tailor sales strategies at the local level. Third party sales organizations build their businesses on 'street smarts' and local relationships giving them a unique understanding of paths to market.

Benefit from solutions bundling and scale: It would be difficult for any single manufacturer to have the relationship scale of some third party sales organizations at the customer level. Whether you are talking about a distributor, specifier, or contractor, getting appointments and face time leveraging a single product solution is difficult. Third party sales organizations have deeper relationships based on the solutions bundle they represent. From the customer's perspective, an appointment with a third-party sales organization is much more productive and welcomed. Providing 'solutions' to markets allows third party sales organizations to bundle complimentary products for a particular application or customer providing manufacturers additional leverage for their specific products.

Expand market coverage: Depending on the size of the third-party sales organization, a manufacturer's presence is multiplied by the staff size and variety of competencies and customer coverage within the local organization.

Build a sustainable presence in local markets: Many third-party sales organizations have developed alliances with manufacturers for decades as succession planning is often a built-in benefit. As third-party owners retire, their businesses are transferred to senior employees to continue the legacy and maintain relationships minimizing market disruption.

Save time and effort on staff management: When a company uses third party sales organizations, they can offload tasks like recruitment and training to their third-party sales partner. This frees up the company's leadership to focus on other value-added tasks like product/service deployment.

Variable cost model is predictable and saves money: A third-party sales model is a variable cost model based on commissions and other incentives, a manufacturer only pays for what is sold in the market. Recruiting, training, and incentivizing internal employees is time consuming and expensive. Payroll, employee benefits and other critical internal processes for staff can be a significant cost that is difficult to account for. With Canada's average voluntary turnover rates for sales and marketing being 8.1%* in 2022, companies will have to continually spend money on recruiting and onboarding. Manufacturers will have to maintain a minimum sales/employee ratio at the local level to be productive.

Variable income for Third-party sales organizations drives growth: With the onus of local sales expenses on the shoulders of Third-party sales owners, their drive for growth is heightened as it directly impacts their profitability. This growth mindset adds fuel to manufacturers who have the right tools and products to take advantage of the additional motivation.

Third party sales organizations can provide strategic insight: Third party sales owners naturally have a strategic and entrepreneurial mindset. Embracing the knowledge of this community can help manufacturers enhance many parts of their business including: channel strategies, customer service enhancements, product positioning and pricing and new product development.

Additional services: Some third-party sales organizations provide local warehousing capabilities to help improve product availability and timeliness to channel partners. Warehousing services are an additional cost to manufacturers.

