



The World Is Built By
The Equipment We MarketSM

Domestic & International

- Strategic Planning
- Sales Development
- Market/Product Research
- Distribution Development
- Marketing Communications



BUILD A NON-BIAS DEALER & SALESPERSON EVALUATION PROCESS

BMG developed a 15-issue evaluation and grading process to help effectively evaluate new and existing dealers and sales reps. The process helps to evaluate every dealer or sales rep on all the critical issues related to their potential success with a company and its products. It also helps remove a lot of the emotion that typically creeps into a selection or termination. When you realize that it takes about one year or more to fully accept that a dealer or sales rep will never achieve the market potential you desire, then at least a few months to execute a termination, and finally another year before most new dealers are truly up to speed, anything that improves your selection process is worth a small fortune.

BMG describes its program as a process because we never end up asking all the same questions of each prospect because each dealer or sales rep situation is different, even when questioned about the same product line. More importantly, we find that the goal of dealer/sales rep discussions is to arrive at a complete understanding of the dealer/sales rep and what we could really expect if they were given the product line. Then we can compare our understanding with that of existing exceptional dealers/sales reps working the product line today. We try to achieve as objective an opinion as possible so BMG has developed a rating system for each issue and then applies the total of all 15 issue ratings to a scale that indicates how successful a new dealer/sales rep might be. This overall rating then helps BMG compare potential dealers or reps for the same territory.

Although some of the issues are purposely overlapping, you can discuss each specific issue in any order you wish and decide how deep a line of questioning you need to pursue. However, no matter how difficult it is, you must stick the same issue until you feel you have reached solid clarity. If you jump around to other issues all the time you will end up with a lot of general statements and not much detail. The goal we strive for with each issue listed below is underlined.

BMG Dealer/Rep Evaluation Issues

(For brevity, when the word dealer appears, it refers to either a dealer or sales rep)

1. Determine the dealer's real motivation for possibly taking on your products.
2. Evaluate the dealer's knowledge and experience level with your type of products and then specifically with your exact products. (average both scores)
3. Through examples of other product lines taken on by the dealer, determine how aggressive they have or would be in promoting your products.
4. Firmly understand what unit volume potential the dealer expects in the first year and then the second and most importantly, the third after taking on the line in his market and why. (average both scores)
5. What other existing product lines would compete for the dealer's time and how do they compare with your potential rent utilization and/or sales, profit potential and rental/sales commissions.
6. What would be the real percentage of the dealer's time you believe would actually be spent on your products and who would spend that time.
7. Determine how critical would your products would become to the dealer's bottom line and how quickly.
8. What potential territory do you believe would be actually well covered versus the dealer's total territory?
9. What level of competition does the dealer expect to face and how does he plan to compete beyond price.
10. Analyze the dealer's current customer base for rental and sales to determine the percentage of customers that have or could use your products.
11. Have the dealer describe what would be the prime customer base within his territory and how his dealership will pursue them.
12. Throughout the dealership – sales, service, parts, management, ownership, etc. – what level of internal support will the dealer give your company and products?
13. Given the product line, what would the dealer specifically plan to do within the next 30 and 60 days?

14. Determine the financial strength of the dealer and ability to purchase and support the equipment to meet the market today and tomorrow.
15. What does the dealer see as his major internal and external stumbling blocks with regards to your equipment that must be overcome and how will he do it.

BMG typically requires at least three phone calls or a one-day visit to go through these 15 issues to achieve enough in depth information to reach a solid gut feel for each issue unless we are already very familiar with the prospect. You can expect information will overlap during discussions, but this is a good thing because conflicting statements often appear.

BMG is a hands-on sales development, research and marketing firm with a focus on manufacturers selling equipment and services into the construction, mining & aggregate, environmental & recycling and agriculture markets worldwide.

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