



Expanding to the UK:

are SALES AGENTS the best strategy?

What is the best way to sell your product or service in the UK?

- A distributor perhaps?
- Your own employed sales team?
- Direct via your website?
- A joint venture maybe?
- What about franchising or licencing?
- And how about Sales Agents?

Are Sales Agents the best option?

The agent route is certainly a very well-established option for export market entry. And it's easy to see why. It's a very fast, low-cost way to enter a new market, and best of all it works purely on results.

That's because a sales agent gets paid by 'commission' – a percentage on the value of the goods or services sold. There are no fixed costs. No salaries, no offices to rent, no cars to run, expenses, and so on. If the agent doesn't sell, then it costs you nothing. When they do sell, you pay them a portion of your profit on those sales.

Sales agents usually have a network of customers that they have built up over many years. They become trusted partners to these customers, bringing new products and services that can help give them an edge over their competitors.

Americanisation Alert!

Don't confuse sales AGENTS with sales REPS. In the UK 'sales reps' are salaried sales people, whereas 'sales agents' are self-employed. In the USA, sales agents are known simply as 'reps'.

Key features of sales agents:

- **Self employed**
- **Commission-only (%)**
- **Work from home**
- **Have ready-made network of customers**
- **Work for several companies simultaneously**
- **Require little management**
- **Low costs to recruit**

If you like the sound of this, some key questions may occur to you, like:

What percentage commission should I pay?

This is a classic 'how long is a piece of string' question! There is no single correct answer in terms of a number, like 10%. Commission rates vary by product and industry, and establishing the right figure is critical to success. It might be 5%. It might be 25%. It's usually somewhere in between.

We advocate paying as much as you can afford (rather than as little as you can get away with!). After all, money is the main motivation for agents. A handy starting point is 1/3 of your gross profit margin.

How many sales agents will I need?

To cover the UK typically takes anything from 3-15 agents, but most commonly it takes about 10-12 agents. This will depend on the nature of your markets.

Where can I find sales agents?

There is no official register of sales agents in the UK. Instead, there are a number of private businesses set up to assist, that act as introducers and advisors. AgentBase is one of the main ones, and was established in 1993. AgentBase has an audience of around 10,000 sales agents.

Most agents like to keep a low profile. They tend not to have websites. And many don't even have profiles on social media such as Facebook and LinkedIn, so using these is still very 'hit and miss'. It's free, but it's a false economy.

The best way to find sales agents is to use a reputable sales agent register, such as AgentBase. There are modest fees to pay but it's the best and fastest method. Time is money. Wasted time is wasted money!

AgentBase also offer free expert guidance.

What other questions should I be asking?

Good question!

Working with sales agents is essentially simple, but there are a few pitfalls to be aware of. And of course some tips, tricks and shortcuts that could save you a great deal of time, money and frustration.

Contact AgentBase for experienced, honest advice and guidance.

10,000 sales agents use AgentBase to find new opportunities. Is yours the next BIG ONE?!

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THE UK SALES AGENT REGISTER