5.7 COVID-19 Community Call for Manufacturers: Discussion Summary

Sales Calls/Travel Outlook

• Because of the technology available with AI and telecommunications, there will be inevitable shift from weekly travel. The pandemic has hastened this trend; it will take having a vaccine to provide the confidence for salespeople to travel again, even if less frequently.
• Our sales group does 2-3 sales calls virtually a week, and this format will likely continue. The days of cold calling are gone for the foreseeable future.
• Distributors will be more wary about letting unknown people walk around the facilities. It will be a challenge to regain access, and it will not be “all access” overnight. As manufacturers, we will need to adapt with more virtual selling through video and phone selling for the foreseeable future.
• Seeing lots of protocol for visits – PPE requirements, etc. It will be different going forward.
• As for allowing manufacturer salespeople to travel once again, we’ll need to take our cue from distributors opening their doors. That will be an indicator as to when we will lift our own travel restrictions.
• We anticipate limited selective travel through the end of the year.
• Right now, travel is on a case by case/region by region basis as well as how critical the issue/important the relationship is.
• Attendance at tradeshows and conventions will not be feasible this year. We have canceled registrations through the remainder of this year.
• Have heard many distributors considering making their tradeshows virtual this year to replace live versions.
• The pandemic will hasten the demise of the traditional tradeshow overall.
• Tradeshows have become less of a vehicle to find new suppliers as they are expensive and challenging to get access to the key people.
• We will not walk away from tradeshows entirely, but will start looking at our involvement more judiciously, i.e., looking at the cost analysis ratio.

Distributors/Sales

• Manufacturers are making calls to end users on behalf of the distributor who may be limited on staff right now. Distributors have approached manufacturers for this support. We market our brands, introduce new product lines, offer trouble shooting, etc. We are starting to capture business we did not have before.
• Most distributors who hold national contracts are still active and able to continue their function as they did before pandemic.
• Certain end user locations have a dedicated onsite distributor person. He/she is allowed in and does job function or, if not allowed in, communicates virtually.
• Our expenses will come down as we are not traveling as much. It’s easier to schedule virtual presentations. We anticipated stronger relationships with end users going forward than in the past (at least for those that have the contracts).
• The future is uncertain as time will tell what distribution will look like after restrictions are lifted. How many distributors will survive or be limited in service because of layoffs, furlough?
• Manufacturers also need to be aware that end users may have relied on a new or specific distributor for needs related to COVID situation and after the pandemic, out of loyalty for their assistance during the pandemic, may continue to use that distributor versus considering a competitor.
• Distributors’ reputation of being solution provider to customers will now prevail. New competition on the market because of new solutions provided during this time.
• How do you solution sell for the user?
  o Created some demonstration videos and sent to inquiring end users. We directed them to watch on their computer while on the phone with our sales guy so he/she can walk through the video live and answer questions.

Employees
• Reopening offices depends on the comfort level of our employees. We will not mandate a return. We have seen our employees be effective working from home and thus will revise our work remote policies. Employees will still have to come in periodically, but not to the extent they were required to prior to the pandemic.
• Participated in PPP program and received our money in the first phase. However, with the changing rules, at the advice of our attorney, have since returned it.
• Improving morale:
  o We set up a third-party, anonymous, hotline employees can access to help with personal stress and anxiety issues. We do not record or track usage.
  o Set up a virtual Jeopardy game. Our senior executives recorded questions and an online poll was set up. Our salespeople were teamed up by region. The members of the winning team each received $100.
  o Employees with a specific personal skill to share such as cooking or yoga lead a virtual education class for the rest of the team.