



MedReps

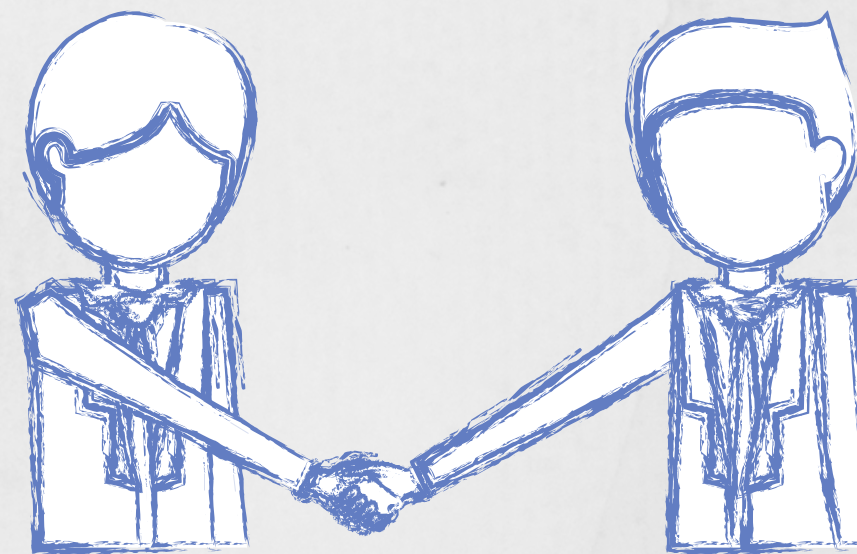
Guide to Getting Paid in Medical Sales

"We'd like to make you an offer..."

At last -- the words you've been waiting to hear. After a hard-fought medical sales job search, hearing these words may make you feel like you've won the lottery. But don't let your relief at getting a job offer blind you from seeing the fine print on the contract. Before you sign on the dotted line, you need to fully understand the details of what is expected of you and, of course, what you can expect to earn.

But how do you know you're getting a fair deal? And if you're not, how can you negotiate a better one?

If you are new to medical sales, you've likely seen the [MedReps Salary Report](#) and been impressed by the high salaries associated with medical sales - that may even be what attracted you to the industry. But those medical sales salaries aren't guaranteed. It's important to understand how reps are paid so you know what you can and can't negotiate.



Research the Industry



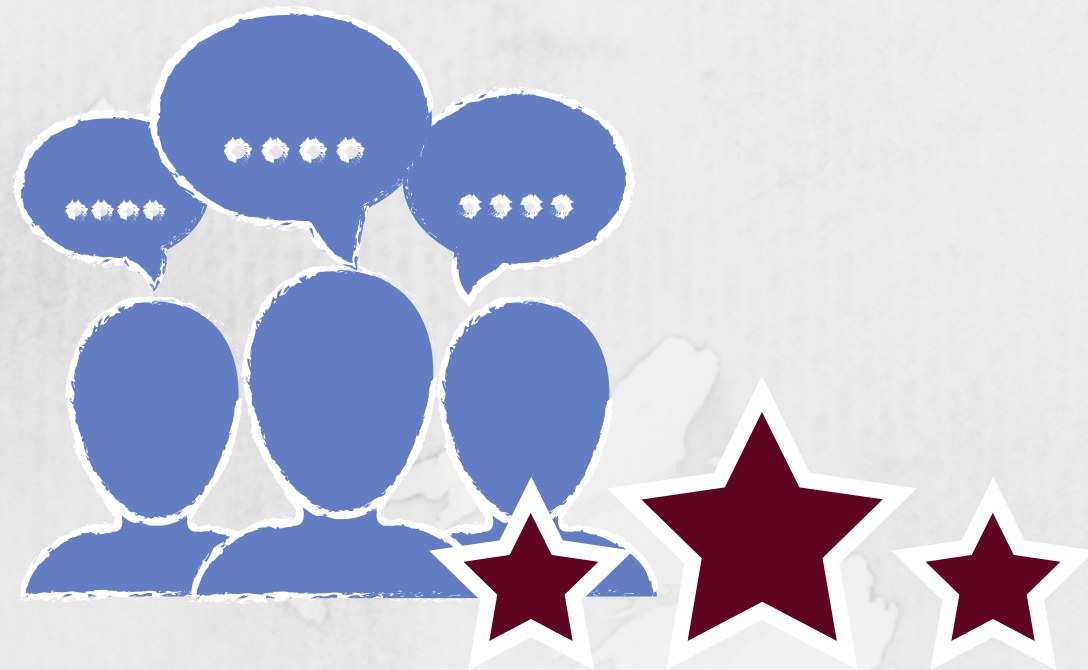
Our Salary Report is the industry's go-to guide for medical sales salary information. Find your product segment and make note of the average base salary. Base salary refers to the amount the employing company will pay the rep regardless of how much product they sell. This is the number that may be negotiable.

In addition to base salary, reps typically receive a percentage of the price of each item sold. The specific commission or bonus structure will vary by employer, but typically, it is not negotiable.

Research the Industry (cont'd)

This is what you want to know:

- Which companies pay the highest base salaries?
- Which ones have the best commission structures?
- And what exactly makes a commission structure attractive?



First, use our Salary Report to see salary averages based on the size and type of employer. Additionally, sites such as Glassdoor allow anonymous posters to share salary information from their jobs at specific companies. This will give you an idea of what you might expect, but really, the most valuable insights will likely come from your network.

Talk to your peers about their experiences with different companies to help you decide which companies to target.

Determining Salary Range

If you've done your research, you'll know that some medical sales representatives have base salaries in the six figures, and some work without any base salary at all. Depending on the type of medical sales job you are pursuing, the base salary range is quite broad. The primary reason for this is due to the different types of products sold and the levels of commission achieved.

Medical reps who sell devices, equipment, or even medical supplies, earn commissions based on the value (and sometimes volume) of each transaction. For some reps, commission makes up more of their income than the base salary.



On the other hand, pharmaceutical sales reps do not issue purchase orders for their clients. How impactful the rep has been at influencing the provider to prescribe is estimated by the volume of prescriptions in a given area. Since calculating "commission" for a pharma rep is challenging, pharmaceutical sales reps often have a larger base salary with less opportunity for bonus and commissions.

An acceptable base salary will be determined by the type of product you'll be selling and the structure of the commission and bonus plan that goes with it. Generally, the more commission they expect you to earn, the lower the base. If commission and bonus opportunity is minimal, you have grounds to negotiate a higher base salary.

Some reps work with no base salary at all - their incomes are commission only.

Understanding commission structure

Commission is calculated as a percentage of the product's value, but the percentage may change depending on a number of variables.

Existing vs. New Business

For example, the percentage may be higher on new business than on existing business. This ensures reps will continually seek new customers rather than simply be "order-takers."

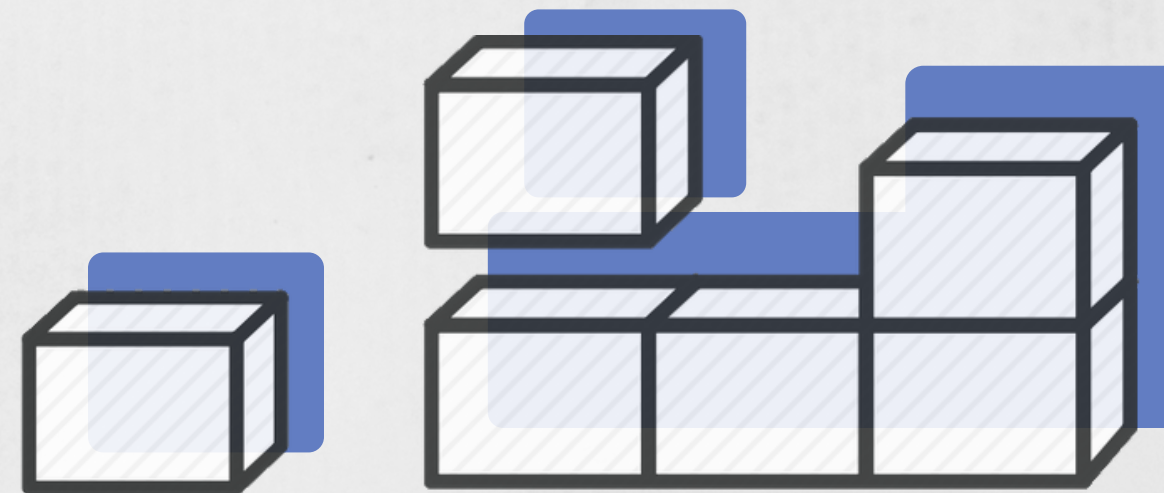
Sales Targets

Additionally, some commission percentages increase as the rep hits predetermined sales targets in a given period of time. This motivates reps to hit targets early so they can earn higher commissions on anything over their goal.

To negotiate a fair base salary, you need to have a good estimate of how much commission you can expect to earn.

Other Factors

Likewise, bonus structures can be based on a variety of influencers -- company goals, territory goals, profit margin, etc. Generally, the details of bonus and commission plans are not up for negotiation, but it's important to understand how they are structured. Commission and bonus will most certainly make up some part of your income. Being able to estimate how much of your income it will be can help you negotiate a fair base salary.



Ask About Successful Reps

When much of your income is made up of commission or bonus, it can be difficult to know how much you can expect to earn. For this reason, it is completely acceptable to ask the hiring manager the following:

- Approximately how much do the most successful reps earn?
- How does that figure compare to average reps' earnings?
- How long does it typically take to ramp up and start earning at the average level?

Beyond commission and bonus, ask how top reps are recognized and rewarded for reaching and exceeding goals. Money is important, of course, but it's nice to know the company appreciates its people and recognizes them in a variety of ways.



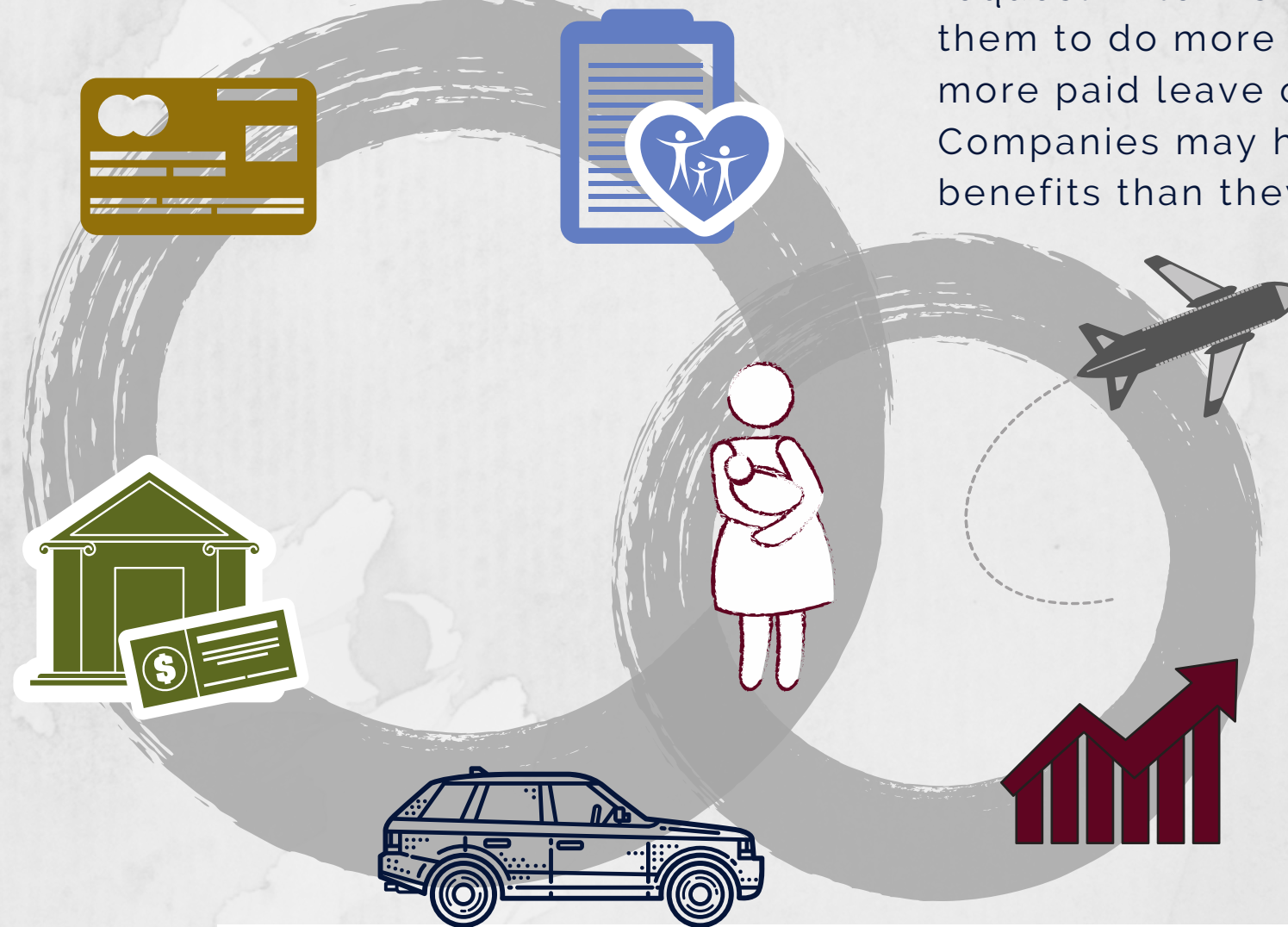
Other Compensation

According to the 2018 MedReps Salary Report, most employed reps have access to standard benefits like health insurance and a 401k. Other benefits may include:

- Car allowance
- Gas card
- Company car
- Paid time off
- Sick days
- Stock options

Don't make assumptions about benefits. Ask about these benefits and more to gain a complete picture of how you will be compensated.

If the employer is unable to meet your request in terms of salary, see if you can get them to do more in the way of benefits -- more paid leave or a bigger car allowance. Companies may have more room to negotiate benefits than they do salary.



The Dos and Don'ts of Negotiations

Don't be the first to say a number

You've heard it before: Don't be the first to say a number. But of course, this is not always possible, especially if the job application requires you to provide your current income. It's not unusual for the initial offer to be in line with the number you've given (which must be truthful!).

If you counter with a request for more, you can expect the hiring manager to ask you why you deserve the increase. Be prepared with market data to backup your request.



Do come prepared with market data

Don't mention personal needs; focus on why you are worth more. Remind them of the reasons they are offering you the job -- your superior accomplishments and work ethic.

Don't appear greedy

Try not to appear greedy or like someone solely motivated by money. Express your enthusiasm for the job, but explain that you'd like to explore a higher offer -- one commensurate with your considerable experience and achievements.

Medical sales jobs are known for their attractive compensation, but that doesn't mean you can't or shouldn't ask for more. Employers expect you to negotiate and may even be impressed by your negotiating skills. After all, as a salesperson, those same negotiating skills will eventually be used to benefit the company's bottom line.