

BUILDING MATERIALS SALARY SURVEY



DESIGN
MATERIALS
CONSTRUCTION
RECRUITMENT GROUP



CANADA



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INTRODUCTION

DMC Recruitment Group, in association with the **Western Retail Lumber Association**, is proud to present our first ever salary report. This survey was aimed exclusively at Sales Professionals in the Building Materials industry in Canada.

Like every other industry, the Building Materials industry was impacted by the pandemic, however, rather than slowing down, the demand in the industry has increased dramatically, resulting in more available jobs, and high demand for qualified talent.

As the industry wrestles with the conflicting challenges of increased demand for products, supply chain interruptions, and reduced labour supply, we conducted this survey to provide some much-needed insight and commentary on compensation within our industry. We are pleased to provide the first, industry-wide salary information update since the beginning of the pandemic to all of our clients, candidates and sales professionals in the industry.

METHODOLOGY

The survey was conducted online via Survey Monkey to ensure complete anonymity, with a sample size of n=1300 Sales Professionals across Canada. No emails or names were collected, nor any other details linking the Respondent to their answers. The survey was distributed via social media, our website, as well as email outreach via our database and third-party database information.





ALEXANDRA MATHER, PARTNER
Building Materials



STEPHEN BORER
PARTNER
Building Materials



SHAWNA WAGNER, PARTNER
Architecture & Design

WHO WE ARE

DMC Recruitment Group offers Recruitment Solutions for Building Materials Manufacturers, Distributors, Retailers and Buying Groups.

By specializing exclusively within the Building Materials industry, DMC Recruitment provides a knowledgeable, real-time, service-oriented approach that sets us apart from the generalist recruitment agency model.

Building Materials is both a big industry and a small network. Companies can't afford bad hires—that is why DMC Recruitment goes above and beyond to ensure that our clients and candidates get the very best service, the very best experience, and the very best talent available on the market.

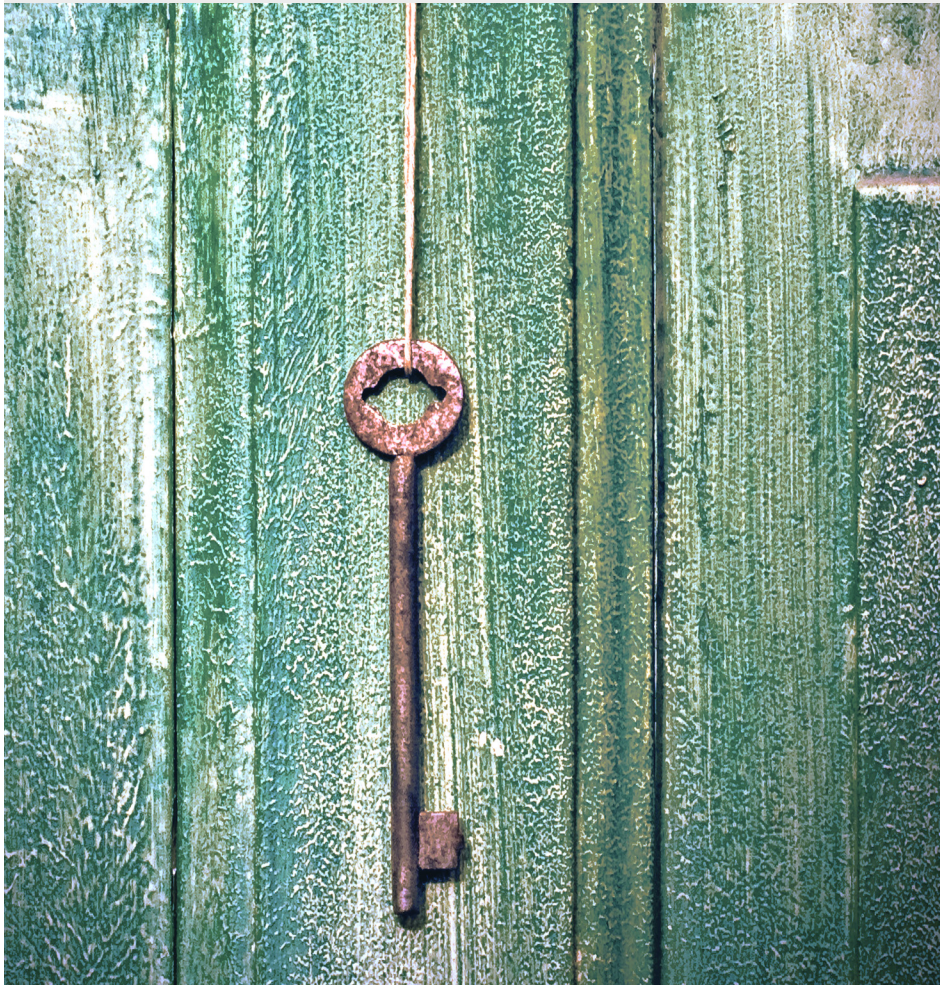
If you are frustrated by the lack of access to the top 10% of talent, or if you are looking for the next step in your career within the Building Materials industry, DMC Recruitment can provide that support. By identifying and attracting top talent and aligning candidates with their dream job, by creating relationships on both ends, DMC Recruitment helps organizations raise the bar with the talent they hire, and allows the candidates we work with to access well-managed opportunities with the best employers in the market.

CONTACT US

If you are an organization looking to add high quality talent to your team, or a candidate who is looking to make a career change, contact us at solutions@dmcrecruitment.com or check out our jobs at www.dmcrecruitment.com/jobs

KEY FINDINGS

We conducted this survey to provide a current and detailed picture of sales compensation in the Building Materials industry in Canada, and gain insight into the employment market in 2022. From our survey, we found several key results that will give sales leadership of the industry verified information on which to base compensation decisions, define recruitment strategy and consider retention and diversity policies.



HIGH COMMISSION FOR THE A&D CHANNEL

The A&D channel is the highest paying segment of the industry for Sales Professionals. It was unsurprising that these Sales Professionals were paid the highest salaries, due to the vital role they play in the build process. However, with long sales cycles, challenges of being able to directly attribute sales, and the difficulty of tracking sales accurately, it was surprising to see that they also enjoy the highest commissions on average when compared to all channels surveyed.

GENDER VARIANCE

One of the most obvious variances to be found was the wage gap between males and females across the industry. Females only averaged a base salary of \$66k and commission of \$28k nationwide; an average of 13% less than their male counterparts. This is certainly an area for us to improve in Building Materials and in the employment market as a whole.

IMPORTANCE OF WORKING ENVIRONMENT

Results found that the top consideration that Respondents look for in a new position is a "Positive Work Environment and Culture". This was followed closely by "Earning Potential", indicating that while salary is still a very important factor, employers should ensure they are putting equal efforts into the working environment they are offering their employees.



RESULTS

In our survey, DMC Recruitment asked a variety of questions regarding the compensation, values, geography, tenure, sex, sector, channel, and overall satisfaction of Sales Professionals working in the Canadian Building Materials industry. In the following pages we will present information about the compensation of Sales Professionals from various channels, sectors, experience levels and locations. This report will consist of the following information:

NATIONWIDE

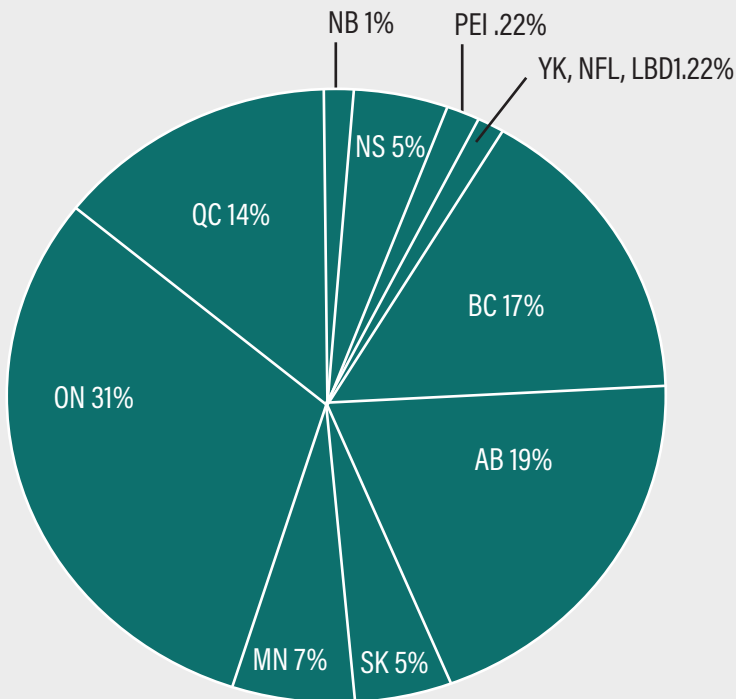
- Gender, location and industry segment of Respondents
- Top Considerations of Respondents when looking for a new position
- Overall Base Salary and Commission earnings in each Province/Territory and Nationwide
- Annual RRSP Contribution and Car Allowance

Recognizing the differences between the various sales channels in the Building Materials industry, we opted to segment our findings by Channel and Sector. For each Channel and Sector, we have analyzed and provided data regarding:

- | | |
|---|--------------------------|
| Base Salary | Comission Earnings |
| Travel Requirements | Annual RRSP Contribution |
| Overall Satisfactions With Compensation | Car Allowance |

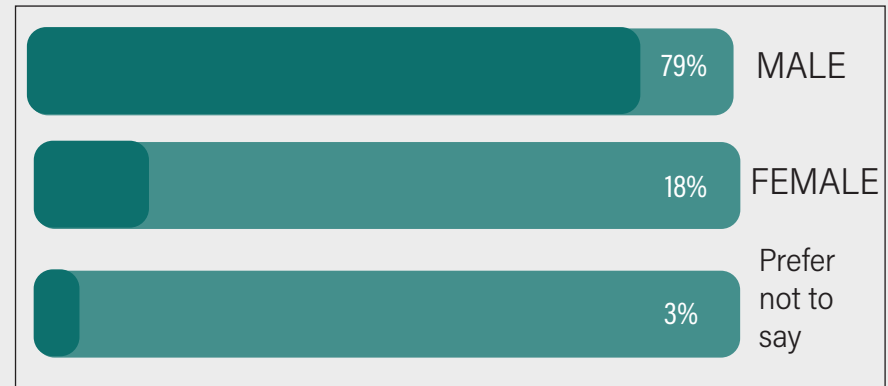
PROVINCE/TERRITORY

Data was analyzed by the Province or Territory Respondents live in, Sectors in which they work (Manufacturer, Distributor, Retailer, etc.), and by the sales channel that they predominately sell to (Architect & Designer, Builder & Contractor, or Retail). This allows readers to analyze results both by the sales channel and the type of organization they work for. We also included parameters such as tenure, sex, percentage of travel required in their role, and revenue accountability.

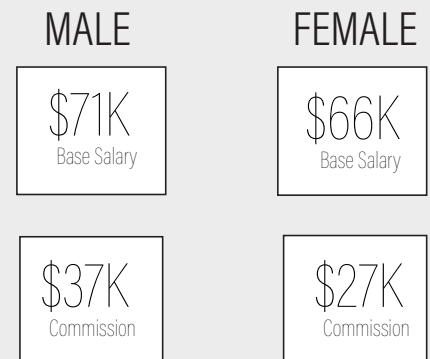


GENDER

With 79% of Respondents identifying as male, it is clear that there is a wide gender gap in the industry, especially when considering that as of 2019, Stats Canada Reported that 64% of Women and 75% of Men in Canada were engaged in the work force. Based on this information, gender diversity is no doubt an area that the Building Materials industry needs to improve in.



COMPENSATION BY GENDER





COMPENSATION

Through our survey we found that the average base salary for Respondents was 71k, with average commissions of 35k, making the average total compensation (excluding 100% commission roles) 106k. This is modest compared to the average overall compensation for 100% commission roles which on average totaled 162k, perhaps consistent with the increased risk that comes with that type of position.

\$71K

Average Base Salary

\$35K

Average Commission
(excluding 100% commission roles)

\$162K

Average Commission
(100% commission roles)

Despite the increased earnings for commission-only roles, less than 4% of Respondents were on 100% commission compensation models. A high portion-73%-of Sales Professionals receive a car or car allowance, which makes sense with the travel typically required of a salesperson. From a travel perspective, almost half (48%) of Sales Professionals have a significant travel portion of over 1/5 of their work hours.

3.53%

make 100% commission

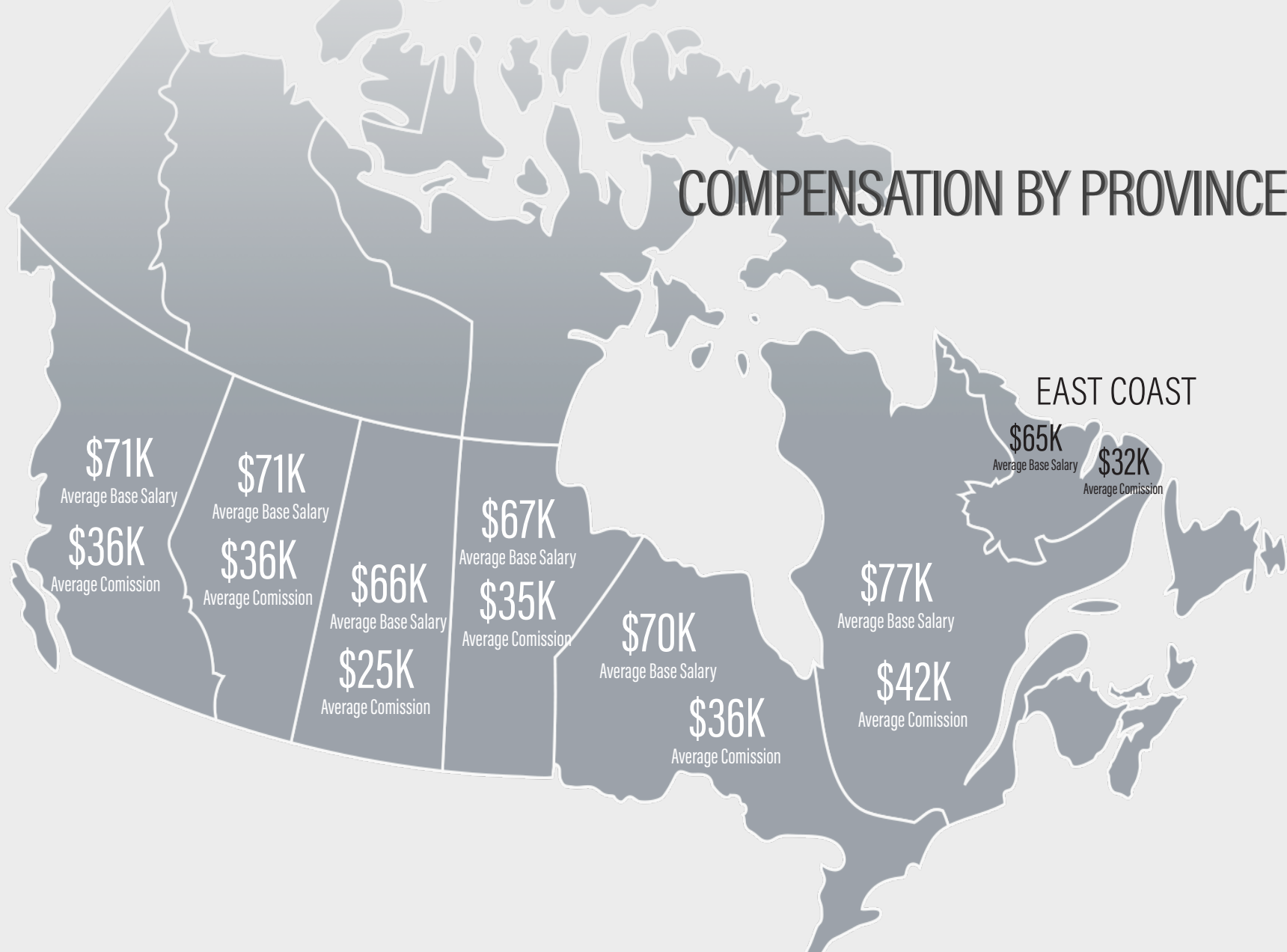
73%

Receive a Car or
Car Allowance

3.72%

Average Annual RRSP
Contribution

COMPENSATION BY PROVINCE



WHAT EMPLOYEES



Respondents were asked to indicate the top 5 considerations which are most important to them when looking for a new position, ranking them from 1 (most important) to 5 (least important). 33% stated that the “Working Environment” is their top consideration, followed by 31% who stated that “Earning Potential” is most important to them. Nearly 80% of Respondents included “Working Environment” and “Earning Potential” in their top 5 considerations. Benefits were consistently the 2nd, 3rd, 4th, or 5th.

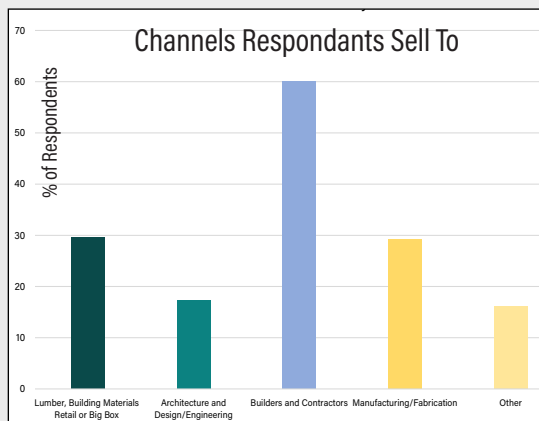


SALES CHANNELS

The Building Materials industry has a complex distribution model with multiple sales channels. Depending on the product and the Manufacturer's distribution strategy, we see a variety of one-step and two-step distribution models. For the purpose of our survey, we have analyzed data on the basis of who the Sales Professional is selling to, and have collated them into four major channels;

ARCHITECTURE & DESIGN
BUILDERS & CONTRACTORS
MANUFACTURING
RETAIL & DEALERS

We then analyzed the compensation of the Respondents in each channel by Years of Experience, Region, and Gender, and gathered data on the "Top Considerations" people have when looking for a new position. We also asked Respondents how happy they are with their current compensation model for a more well-rounded picture of compensation across the industry and its impacts on the job market.



What we found was a detailed snapshot of each major channel in the Building Materials industry, and how each channel performs in regard to employee satisfaction, compensation and travel requirements when compared to the national average.



SALES PROFESSIONALS SELLING TO ARCHITECTURE & DESIGN

Manufacturer
(OEM)



Distributor

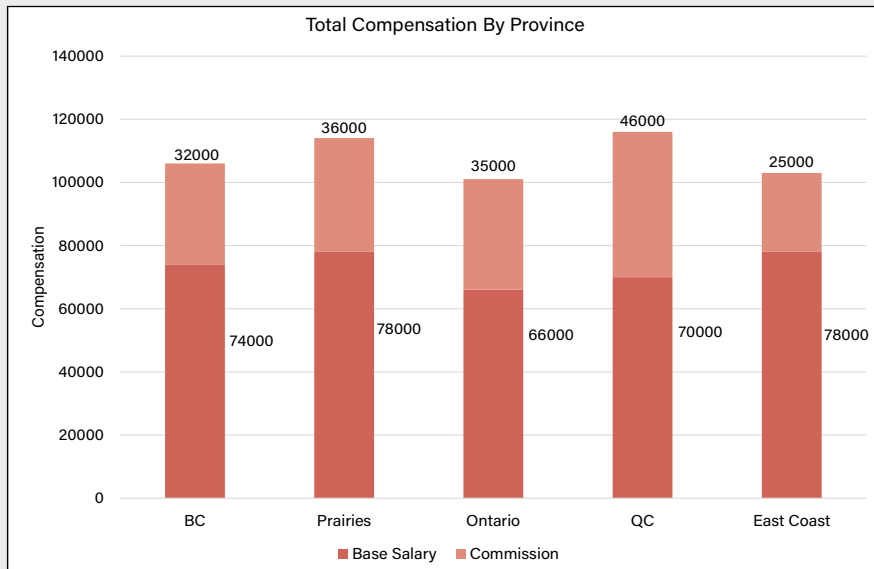


Architecture
&
Design Firm

ARCHITECTURE & DESIGN CHANNEL

This segment consists of Respondents who primarily sell to Architects and Designers. Getting products specified for a project can be a decisive way for a manufacturer to “pull” demand through their dealers and distributors. Sales Professionals are expected to build relationships with Architects, Designers and Engineers, provide education on their product’s features and applications, and ultimately get their product specified for use on specific build projects.

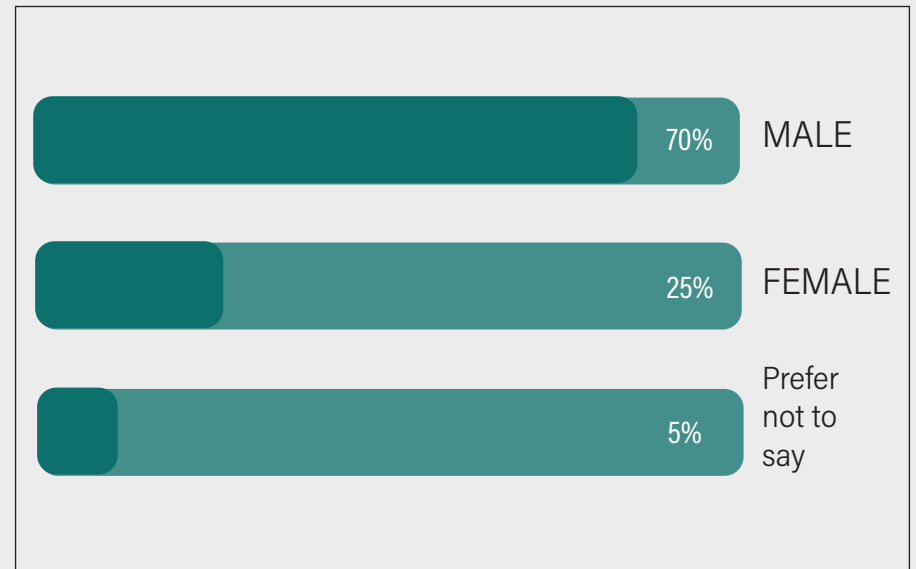
PROVINCE/TERRITORY



FINDINGS

This channel employs the largest percentage of female Respondents, with 25.5% identifying as female, compared to the average of 18%. Additionally, we saw a higher proportion of required travel in this channel, with almost 50% of Respondents travelling more than 20% of their work hours. Reflecting the trend of developing showroom staff, or hiring junior interior designers into these roles, we see the first 5 years of an A&D Sales Rep’s career as noticeably lower paid than more experienced groups. Potentially contributing to this is the fact the sales cycle can take multiple years to build, therefore commissions take longer to realize. Despite being the best paid in the industry, “Satisfaction” in this channel is fairly low.

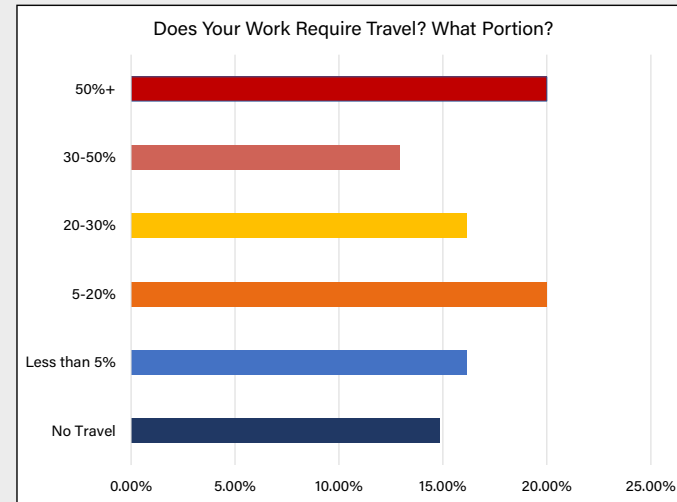
GENDER



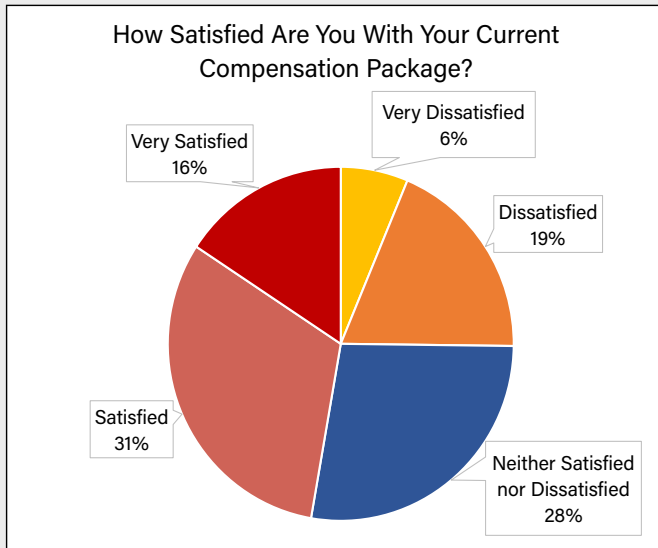
A&D VS INDUSTRY AVG

| | Architecture & Design | Industry Average |
|---------------|-----------------------|------------------|
| BASE SALARY | \$72K | \$71K |
| COMISSION | \$37K | \$37K |
| RRSP MATCH | 3.99% | 3.87% |
| TRAVEL > 20% | 48.3% | 43% |
| CAR ALLOWANCE | \$700 | \$747 |
| SATISFACTION | 47.3% | 54% |

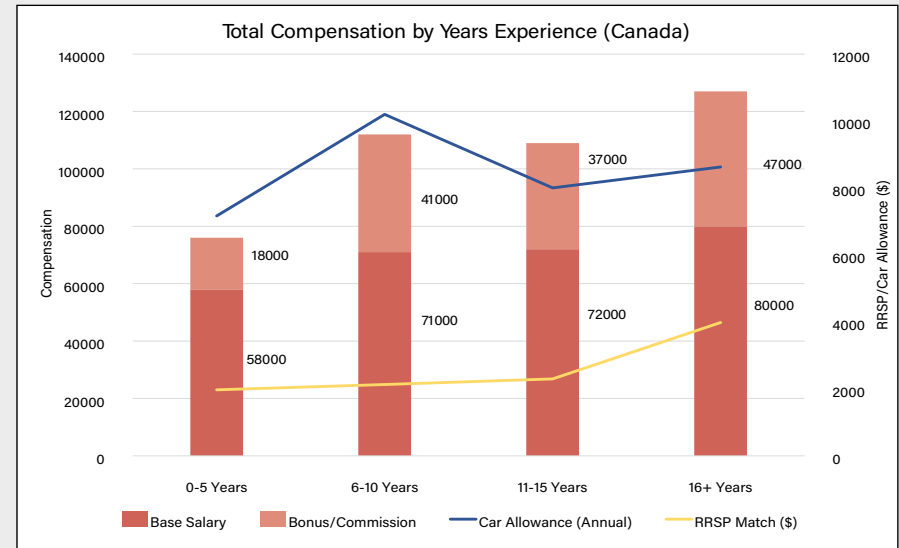
TRAVEL



LEVEL OF SATISFACTION



YEARS EXPERIENCE



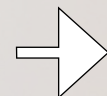
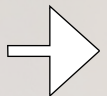
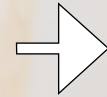
SALES PROFESSIONALS SELLING DIRECT TO BUILDERS & CONTRACTORS

Manufacturer
(OEM)

LBM Retail

Big Box

Distributor

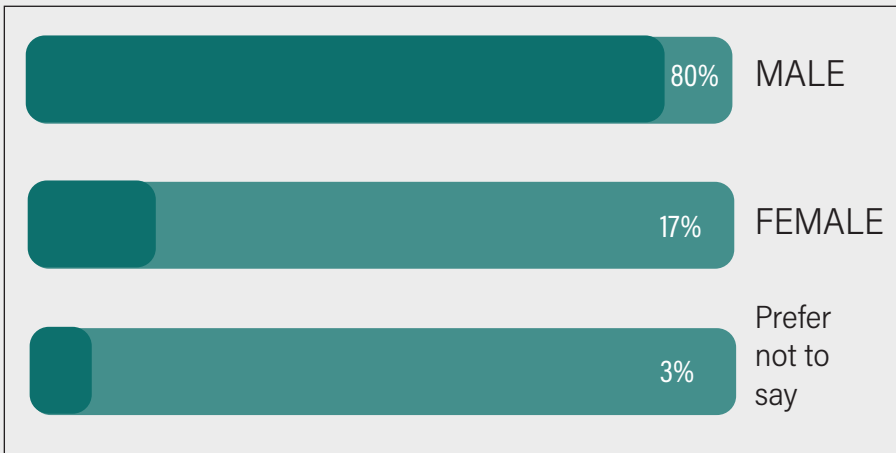


Contractor/
Builder

BUILDERS AND CONTRACTORS CHANNEL

This segment consists of Respondents who primarily sell to Builders and Contractors. Selling directly to the Builder or Contractor was historically the role of a dealer or distributor, but with manufacturers increasingly looking to get closer to their end-customer, the industry is seeing more 'builder direct', manufacturer-focused Sales Professionals aka; "Manufacturers Reps" also selling through this channel. Unsurprisingly, this was our largest segment of the survey with 60% of those surveyed saying this was their key focus.

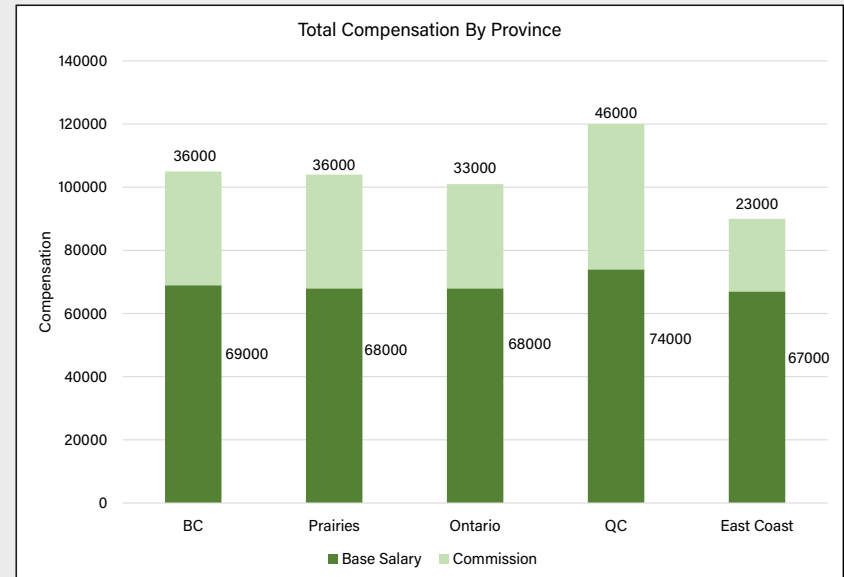
GENDER



FINDINGS

Notable from this channel, is reporting of more localized travel, with 39% of Respondents travelling over 20% of their work hours, just shy of the industry average of 43%. Respondents selling through this channel indicate a satisfaction level just below the industry average, with 53.5% saying that they are "satisfied" with their current compensation. Response data indicates that longevity is well-rewarded in this channel. There is a steady growth rate of both base salary and commission as employees gain years of experience. When comparing Provinces and Territories, Quebec sees higher base salaries and commissions than any other.

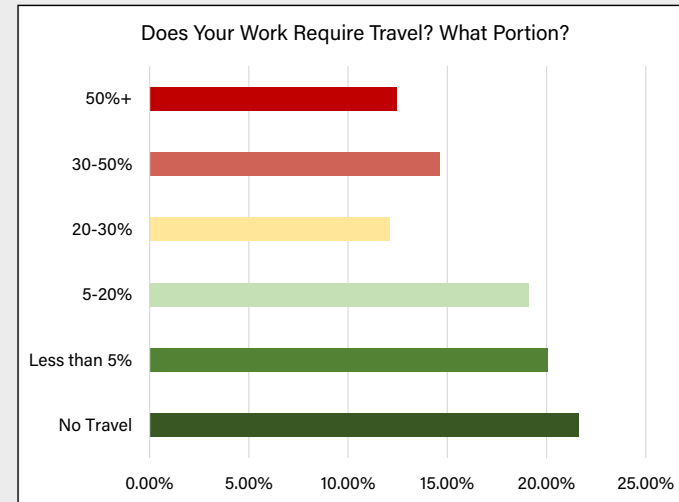
PROVINCE/TERRITORY



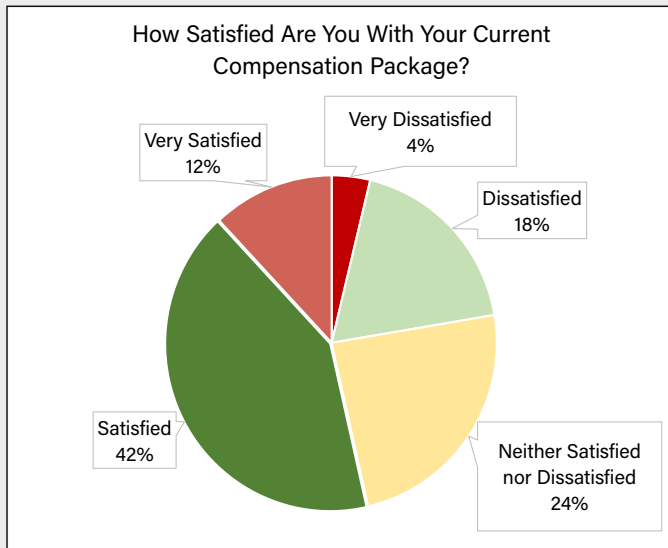
BUILDER & CONTRACTOR VS INDUSTRY AVG

| | Builders & Contractors | Industry Average |
|---------------|------------------------|------------------|
| BASE SALARY | \$68K | \$71K |
| COMISSION | \$34K | \$37K |
| RRSP MATCH | 3.79% | 3.87% |
| TRAVEL > 20% | 39.2% | 43% |
| CAR ALLOWANCE | \$728 | \$747 |
| SATISFACTION | 53.5% | 54% |

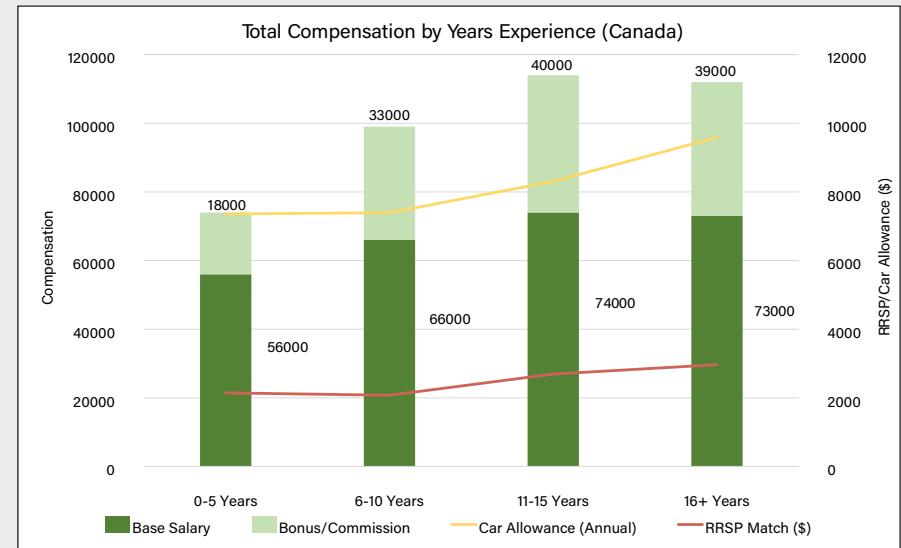
TRAVEL



LEVEL OF SATISFACTION



YEARS EXPERIENCE



SALES PROFESSIONALS SELLING DIRECT TO LBM, RETAIL & BIG BOX

Manufacturer
(OEM)



Big Box
Retailer

Distributor



Dealer

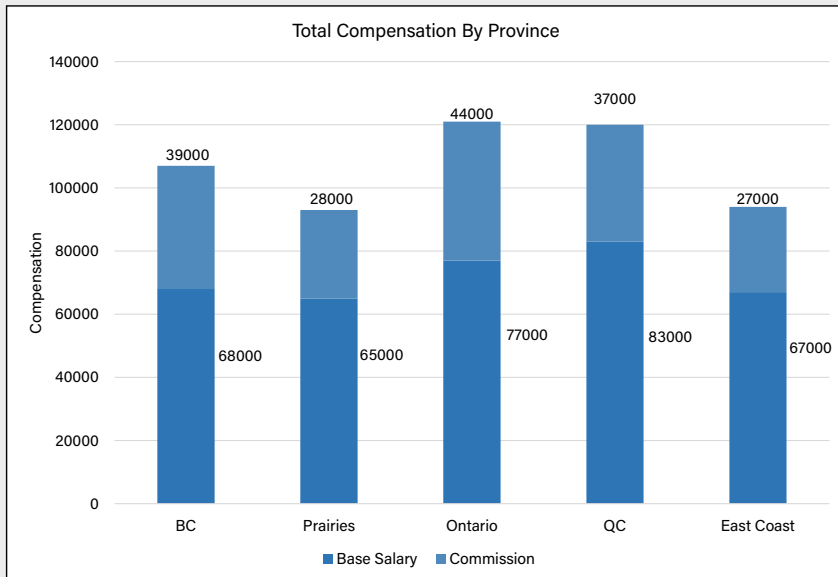
Buying Group



SALES PROFESSIONALS SELLING TO LBM, RETAIL & BIG BOX

This segment consists of Respondents who primarily sell to retail stores. Sales Professionals selling to the Dealer or Big Box channel will mostly be found working for manufacturers or distributors. Manufacturers will often have Representatives managing accounts regionally or nationally, and distributors will generally have representatives focused more by territory as they work with each business on a store-level.

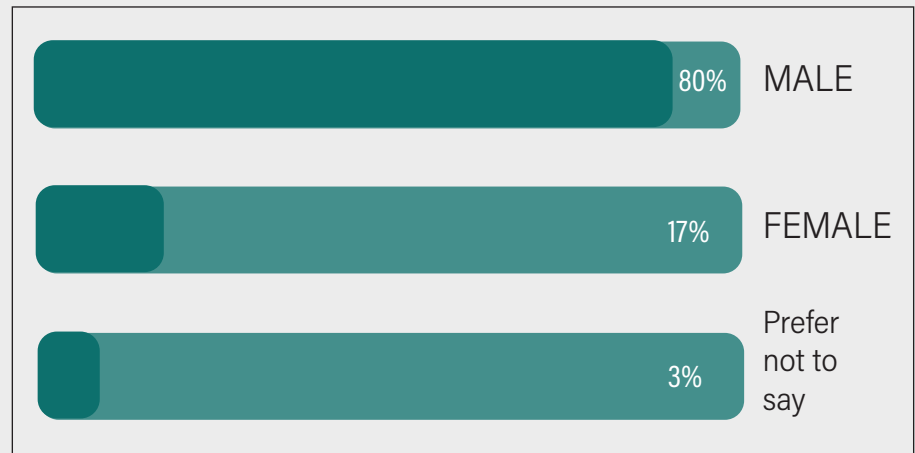
PROVINCE/TERRITORY



FINDINGS

Results show that working in the Retail channel takes longer to increase earnings. Comparing compensation by years of experience, we see consistent earnings in the first 10 years, followed by a large spike in compensation once employees reach the 11-to-15-year mark. Sales Professionals selling to this channel travel more, with over 50% of Respondents travelling over 20% of the time. We noted that this group has the highest satisfaction in the industry, with almost 56% of Respondents stating that they are "Satisfied" or "Very Satisfied" with their current compensation. As seen below, the highest base salaries are among Quebec residents, but with lower commission, making the total compensation comparable to other Provinces and Territories.

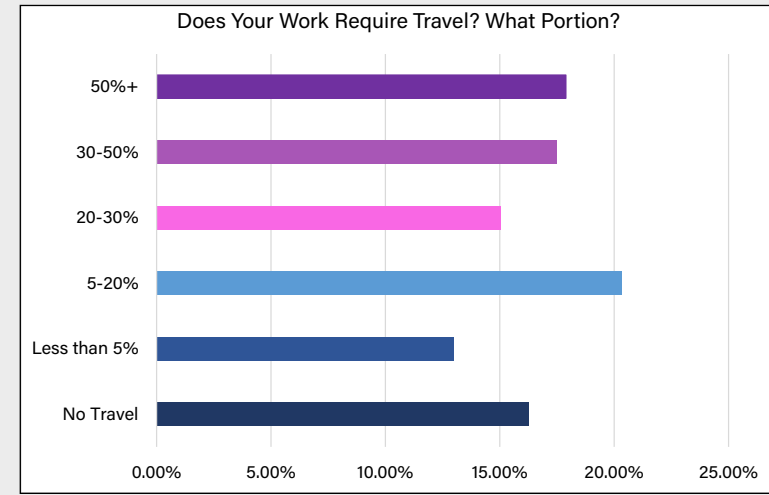
GENDER



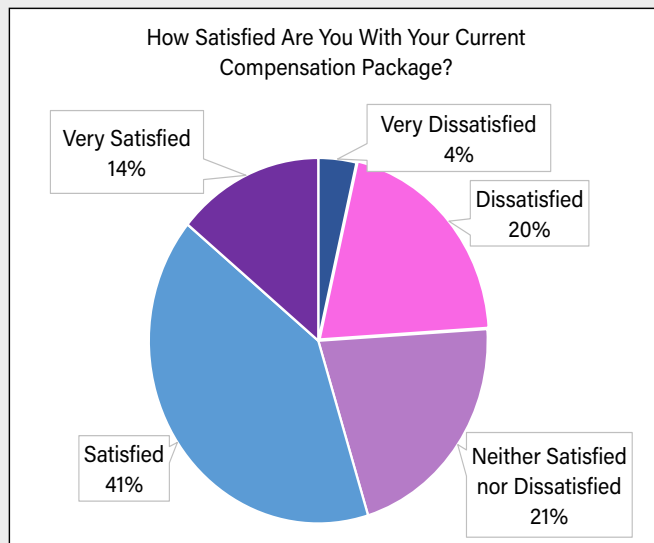
LBM, RETAIL, BIG BOX VS INDUSTRY AVG

| | LBM, Retail, Big Box | Industry Average |
|---------------|----------------------|------------------|
| BASE SALARY | \$71K | \$71K |
| COMISSION | \$36K | \$37K |
| RRSP MATCH | 3.74% | 3.87% |
| TRAVEL > 20% | 50.4% | 43% |
| CAR ALLOWANCE | \$782 | \$747 |
| SATISFACTION | 55.8% | 54% |

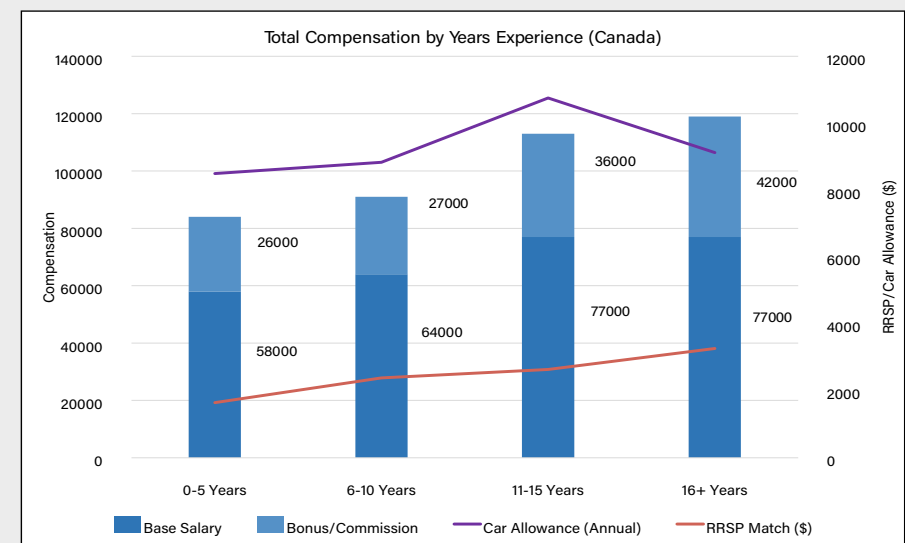
TRAVEL



LEVEL OF SATISFACTION



YEARS EXPERIENCE

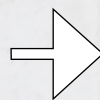


SALES PROFESSIONALS SELLING DIRECT TO MANUFACTURER (OEM)

Manufacturer
(OEM)



Distributor

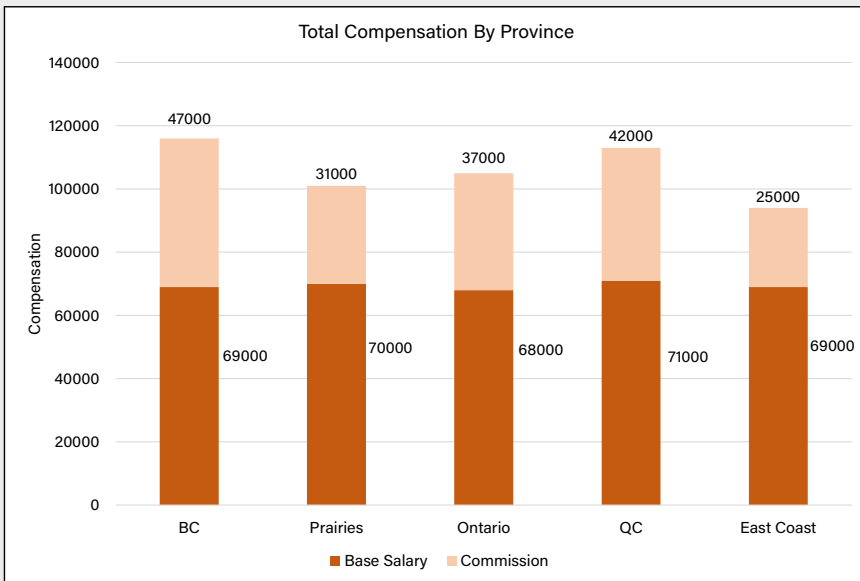


Manufacturer
(OEM)
Fabricator

CHANNEL MANUFACTURER (OEM)

This segment consists of Respondents who primarily sell to Manufacturers (OEMs). Not all Building Materials are sold to the end-user but are components that make up a finished product. Sales professionals selling to this channel will have a strong technical understanding and competency in the use and installation of the product.

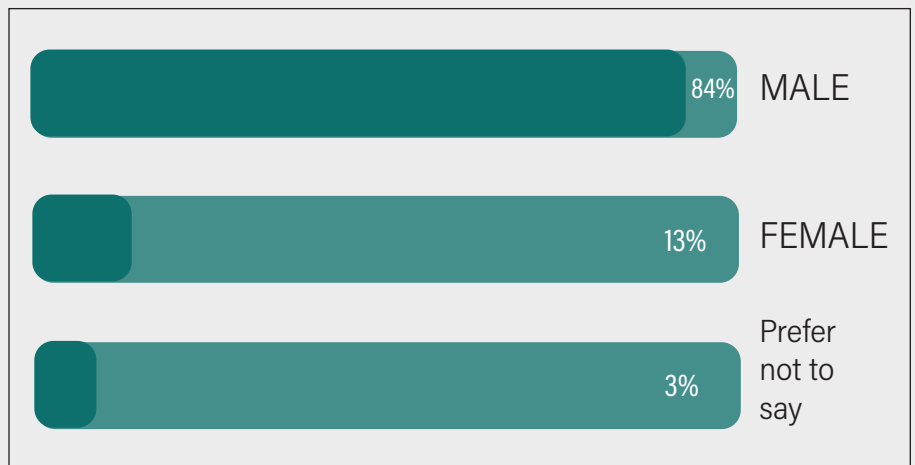
PROVINCE/TERRITORY



FINDINGS

In the Manufacturing (OEM) sales channel, car allowance is higher for employees with less experience, with base salaries among all groups consistent with the industry average of 71k. Perhaps the industry has been trying to make itself more attractive to junior candidates? Diversity is the lowest in this channel, with only 13% of Respondents identifying as female as opposed to the national average of 18%. Diversity is an area for Building Materials to improve in, and even more so in this channel. BC is the region with the highest commission, making them the highest paid by Province, yet the base salaries are fairly consistent among all Provinces and Territories, with variation primarily found in the commission component of their compensation.

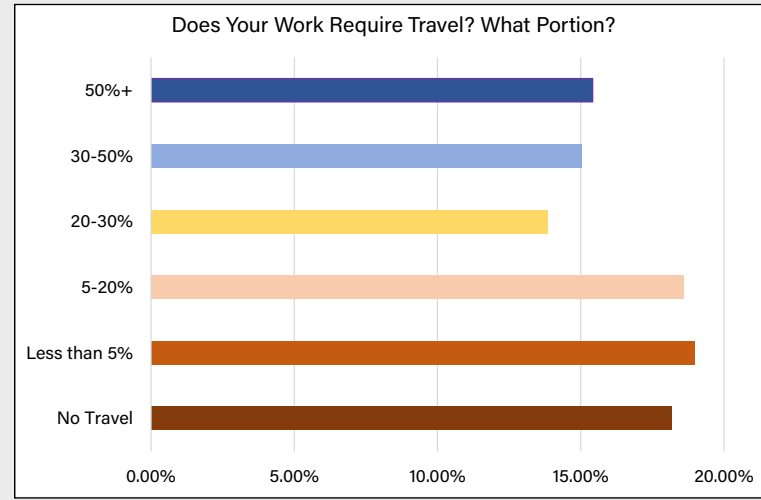
GENDER



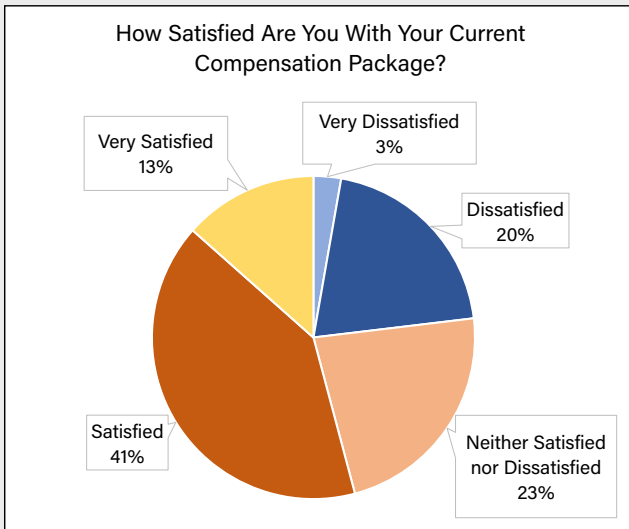
OEM VS INDUSTRY AVG

| | Manufacturer | Industry Average |
|---------------|--------------|------------------|
| BASE SALARY | \$68K | \$71K |
| COMISSION | \$37K | \$37K |
| RRSP MATCH | 4.13% | 3.87% |
| TRAVEL > 20% | 44.3% | 43% |
| CAR ALLOWANCE | \$804 | \$747 |
| SATISFACTION | 54% | 54% |

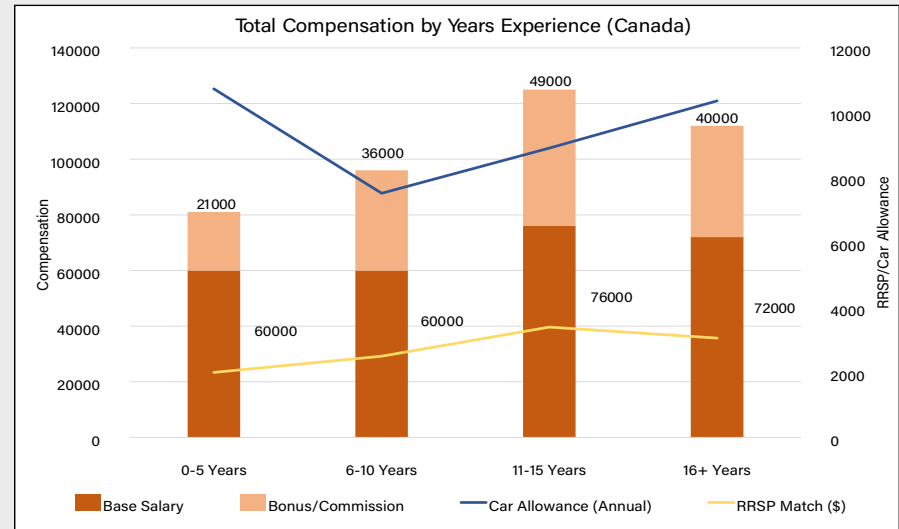
TRAVEL



LEVEL OF SATISFACTION



YEARS EXPERIENCE



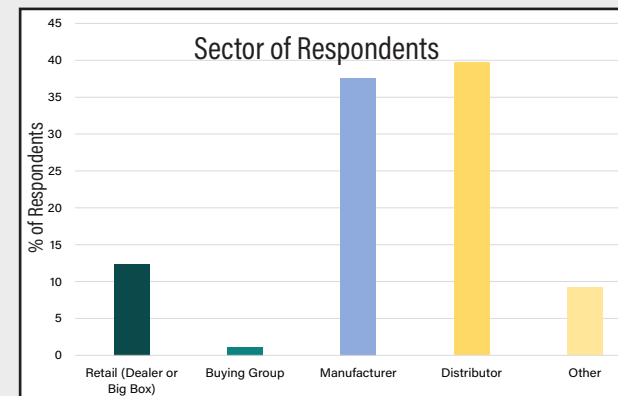


SECTORS

In the context of our survey, Sectors refer to who a Sales Professional works for, and what type of business their employer conducts. We wanted to understand if variances were in fact more a function of the type of organization that they work for, rather than the sales channel they are serving. We analyzed the compensation of Sales Representatives in 3 sectors;

RETAIL
MANUFACTURERS
DISTRIBUTORS

We wanted to analyze the variance of compensation across these types of organizations. Consistent with our procedure with the major sales channels in the industry, we analyzed the compensation of Respondents in each sector by Years of Experience, Region, and Gender, and gathered data on the “Top Considerations” people have when looking for a new position. We also asked Respondents how happy they are with their current compensation model to allow us to see how “satisfaction” varies across the different sectors and the potential reasons for this.



We had hoped to include Buying Groups in our analysis because of the importance Buying Groups play in the Canadian Building Materials industry but unfortunately the response rate was not enough to be statistically relevant.

SALES PROFESSIONALS SELLING TO RETAIL SECTOR

Dealer



Builder
Contractor

Big Box
Retail

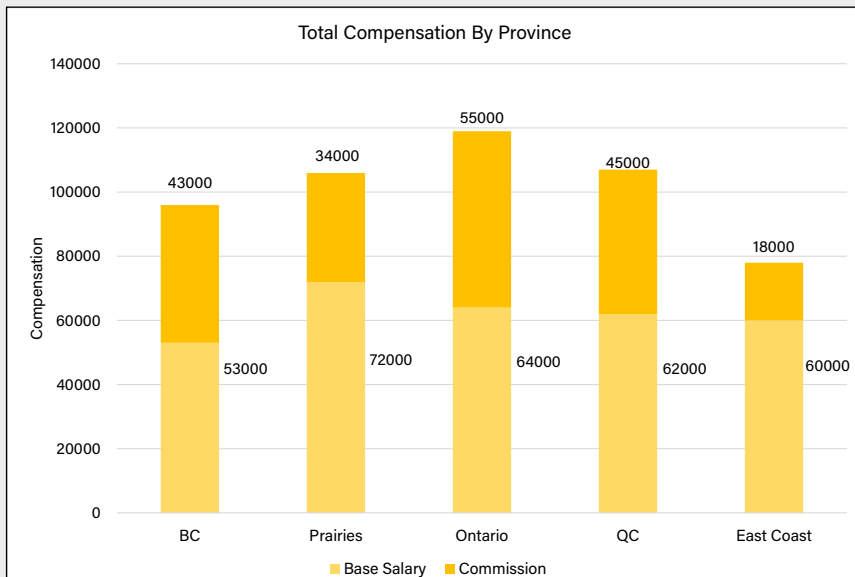


Public

SECTOR - RETAIL

Retail is an incredibly important channel for the Building Materials industry - selling both to retail consumers as well as to the Contractor or 'pro' channel. Retail is made up of Lumber and Building Materials Dealers, Hardware Dealers and Big Box Retail. Perhaps there is an argument to segment these further as the large, Big Box National Retailers are quite different, for example, from a small independent dealer. However, on the basis that we are specifically surveying Sales Professionals, and their roles are relatively similar for both Big Box and Dealer, we opted to collate them.

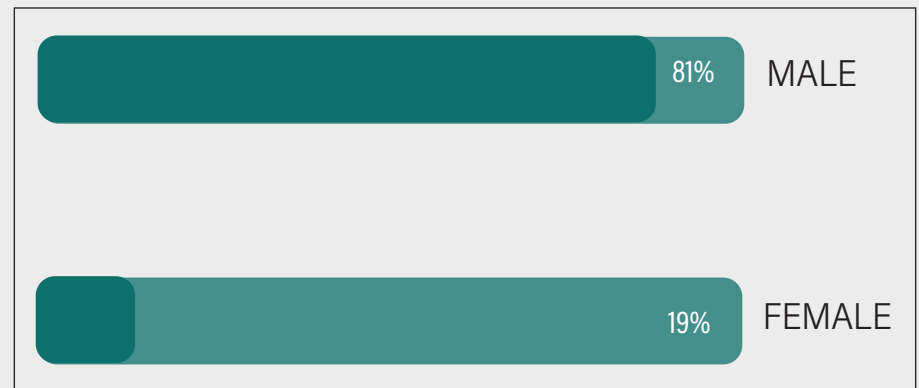
PROVINCE/TERRITORY



FINDINGS

The Retail sector requires very low amounts travel, with only 23.5% of employees travelling over 20% of their time. Geographically, Quebec has the highest base salaries in every sector except for Retail, where they have the lowest. Across the entire country, the overall base salaries in Retail are consistently low compared to the average of 71k, but with higher commissions. Total compensation of Respondents in Retail is comparable to other sectors yet less than 50% of Respondents say that they are "Satisfied" with their remuneration. Perhaps having less guaranteed income than Sales Professionals in other Building Materials sectors and only earning the same is not working as an effective incentive to Sales Professionals in this sector?

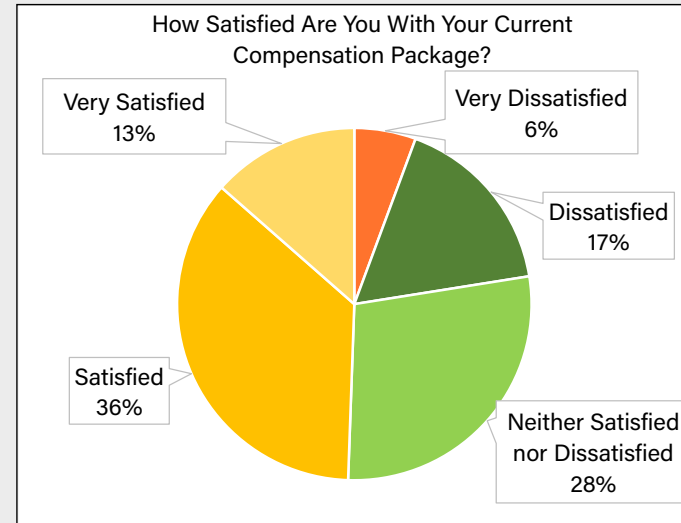
GENDER



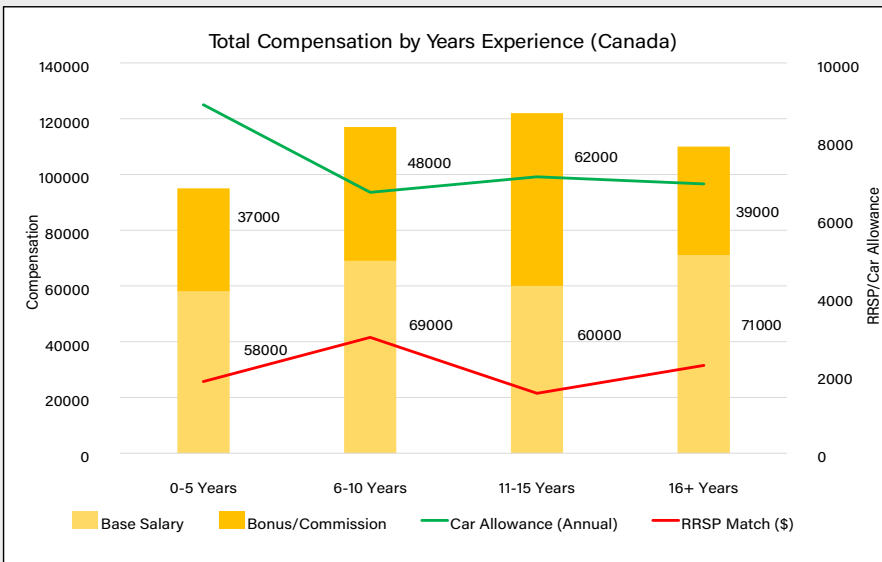
RETAIL VS INDUSTRY AVG

| | Retail | Industry Average |
|---------------|--------|------------------|
| BASE SALARY | \$65K | \$71K |
| COMISSION | \$43K | \$37K |
| RRSP MATCH | 3.27% | 3.87% |
| TRAVEL > 20% | 23.5% | 43% |
| CAR ALLOWANCE | \$605 | \$747 |
| SATISFACTION | 49.4% | 54% |

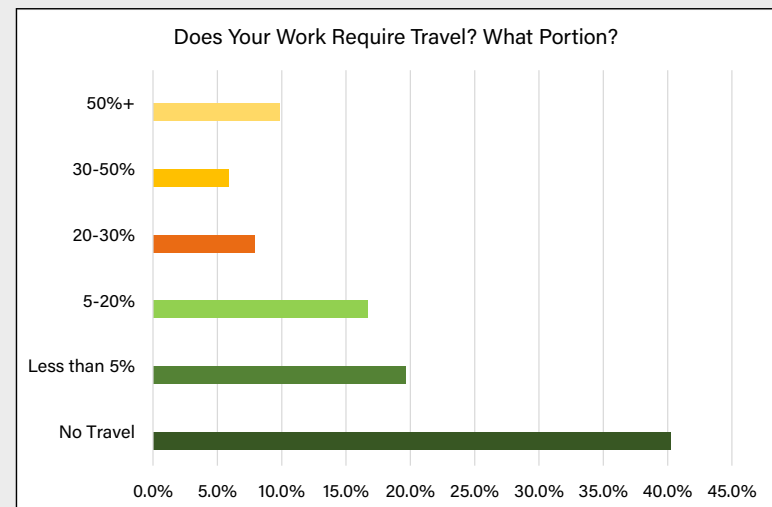
LEVEL OF SATISFACTION



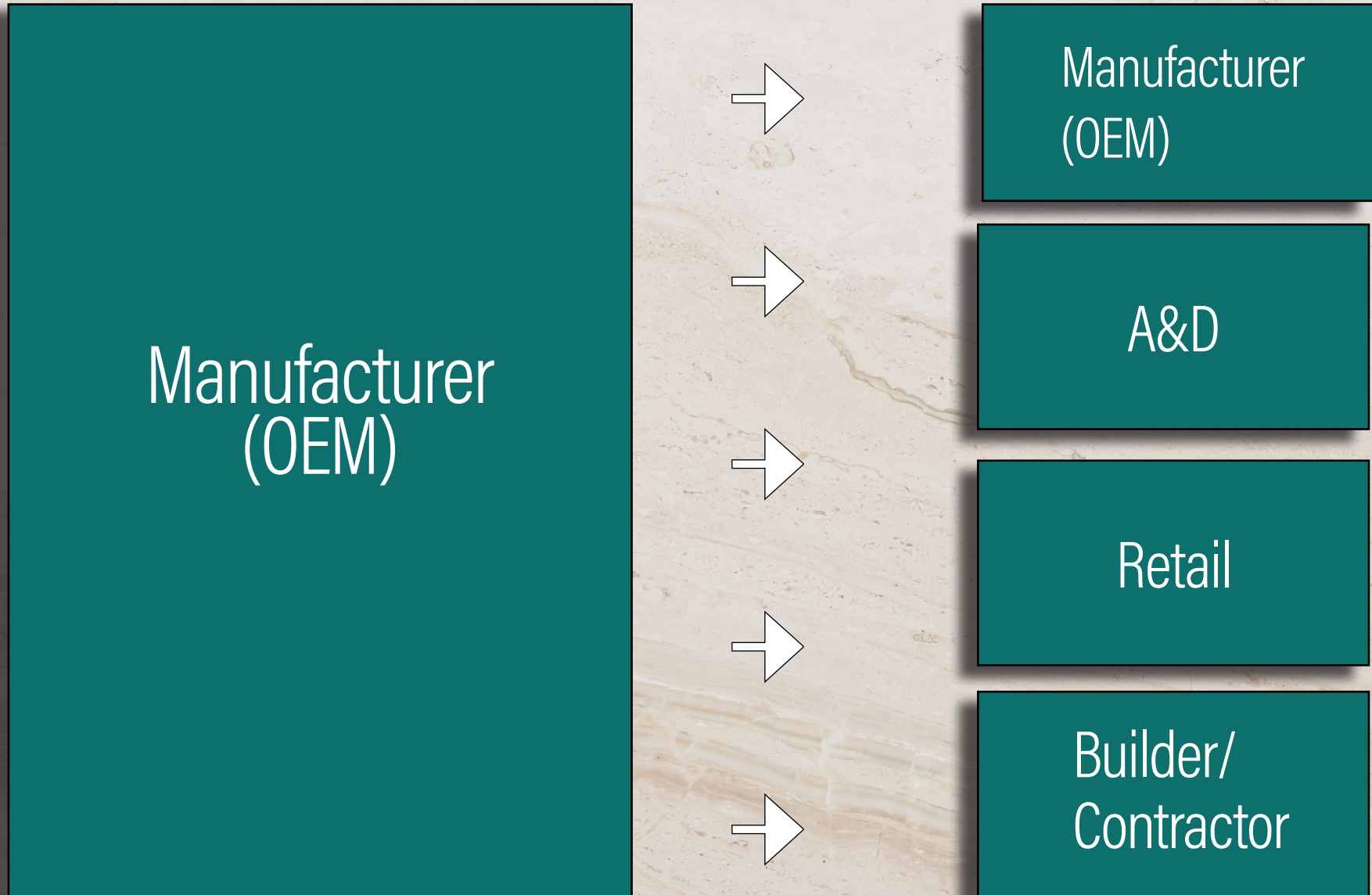
YEARS EXPERIENCE



TRAVEL



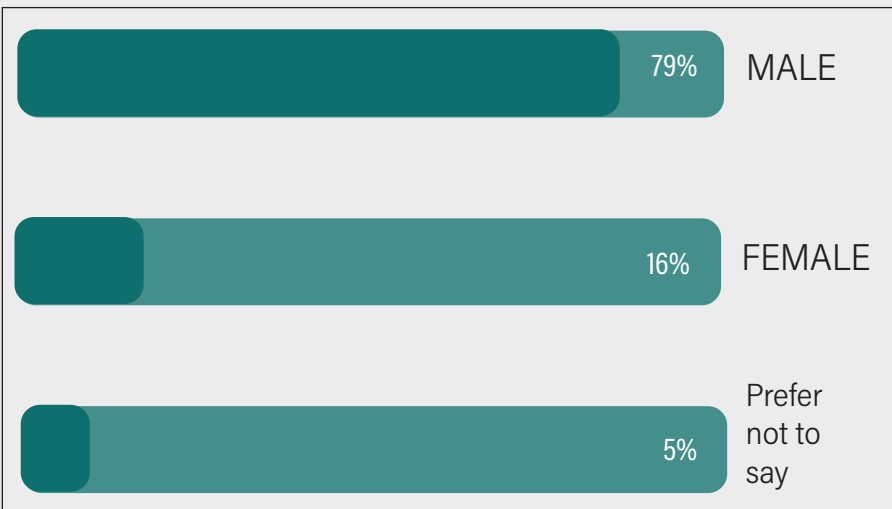
SALES PROFESSIONALS SELLING TO MANUFACTURER (OEM)



SECTOR - MANUFACTURER (OEM)

Manufacturing is at the core of the Building Materials industry. The Canadian marketplace is dominated by large organizations manufacturing in both Canada and the USA, with increasing competition from both European brands and Asian manufacturers trying to get a foothold in the North American market. Manufacturers use multiple channels to sell and distribute their products including one step distribution, two step distribution, LBM Retail, Big Box, Specification Sales via Architecture and Design and, increasingly, to Builders and Contractors direct. As a result, Manufacturers may have separate sales representation for different sales channels, or Sales Professionals managing multiple sales channels depending on their model.

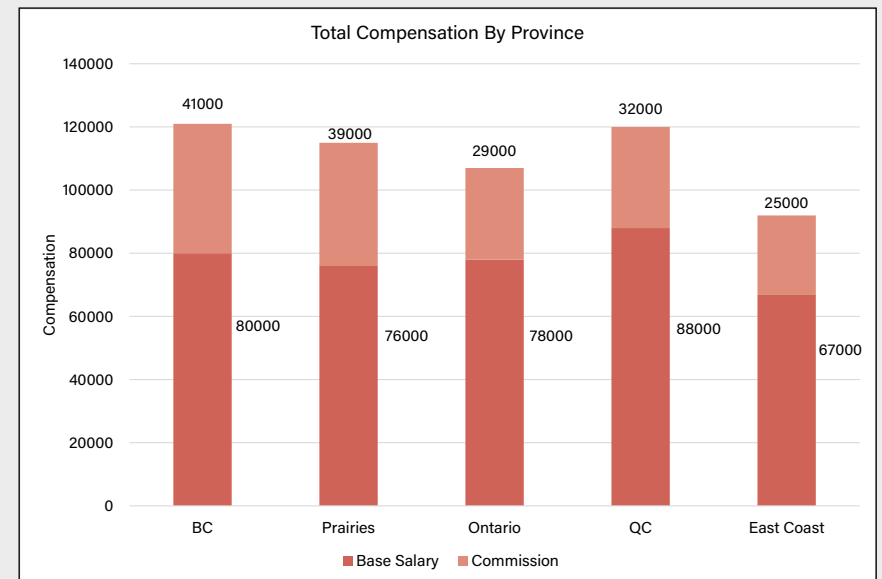
GENDER



FINDINGS

The Manufacturing sector on average pays higher base salaries than other sectors, with an average base salary of 79k. This sector is comprised of a lot of large corporations, in which employees are rewarded well for longevity. There is large travel component in the Manufacturing sector, with nearly 55% of employees travelling >20% of their time, up 10% from the Building Materials industry average. This sector has the highest annual RRSP matching within the industry and pays above-average car allowance amounts. These benefits, in conjunction with the high compensation, contribute to high "Satisfaction" levels in this sector - over 54%.

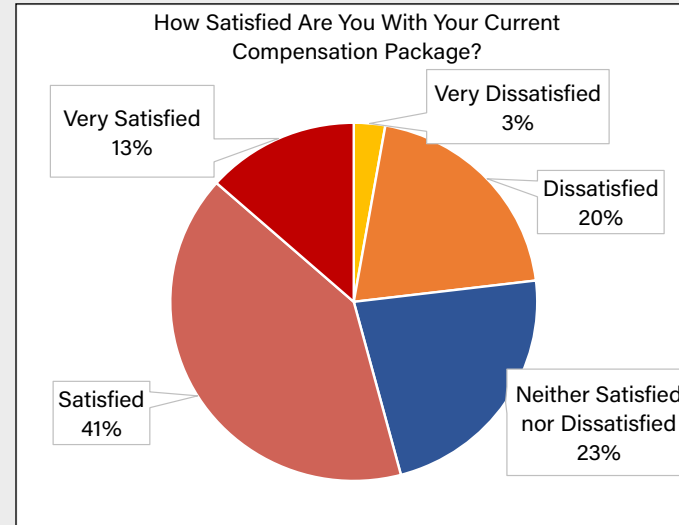
PROVINCE/TERRITORY



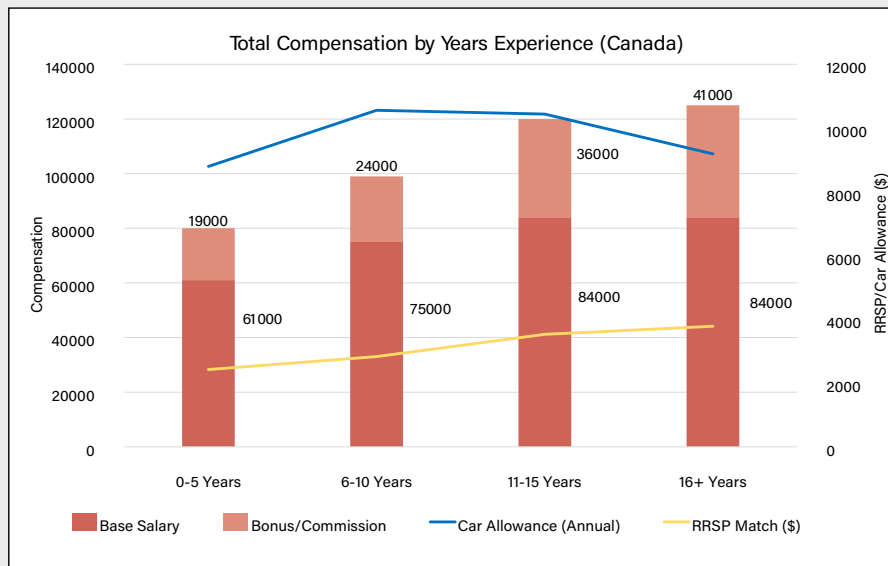
MANUFACTURING VS INDUSTRY AVG

| | Manufacturer | Industry Average |
|---------------|--------------|------------------|
| BASE SALARY | \$79K | \$71K |
| COMMISSION | \$34K | \$37K |
| RRSP MATCH | 4.26% | 3.87% |
| TRAVEL > 20% | 54.2% | 43% |
| CAR ALLOWANCE | \$800 | \$747 |
| SATISFACTION | 54.1% | 54% |

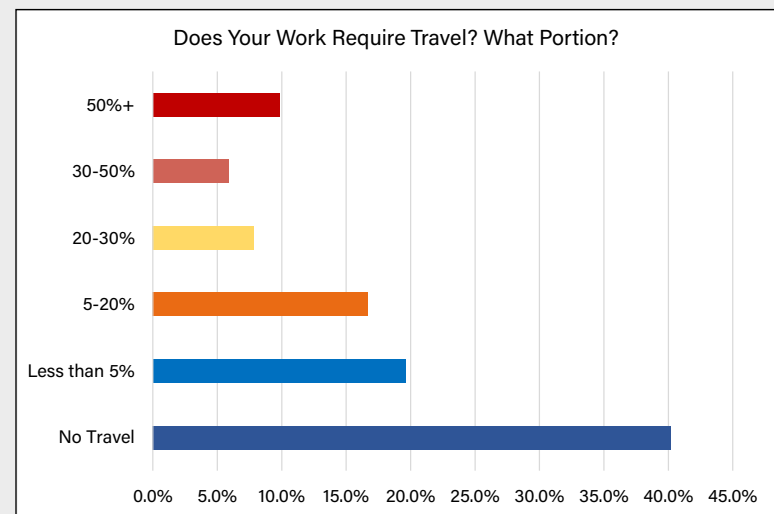
LEVEL OF SATISFACTION



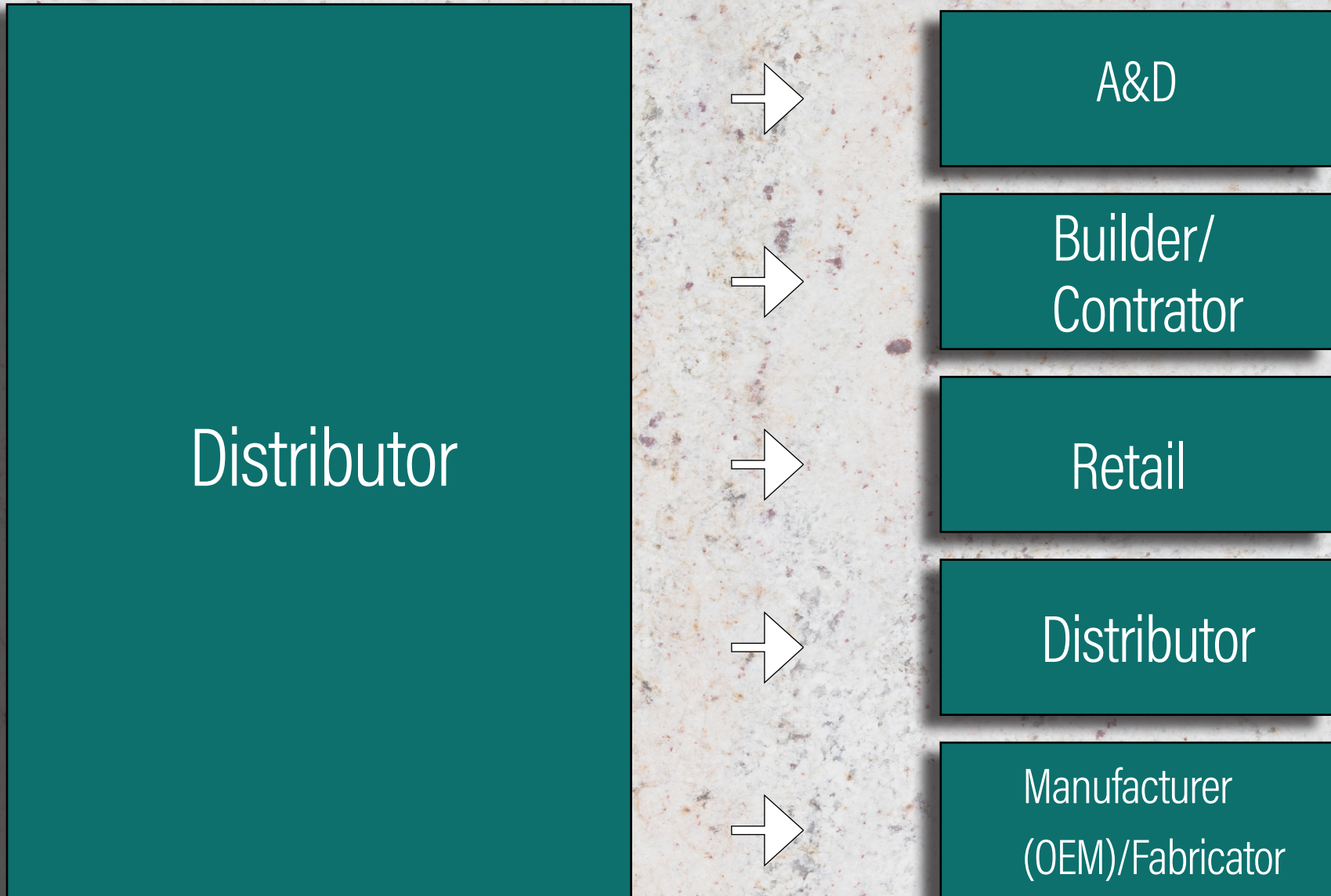
YEARS EXPERIENCE



TRAVEL



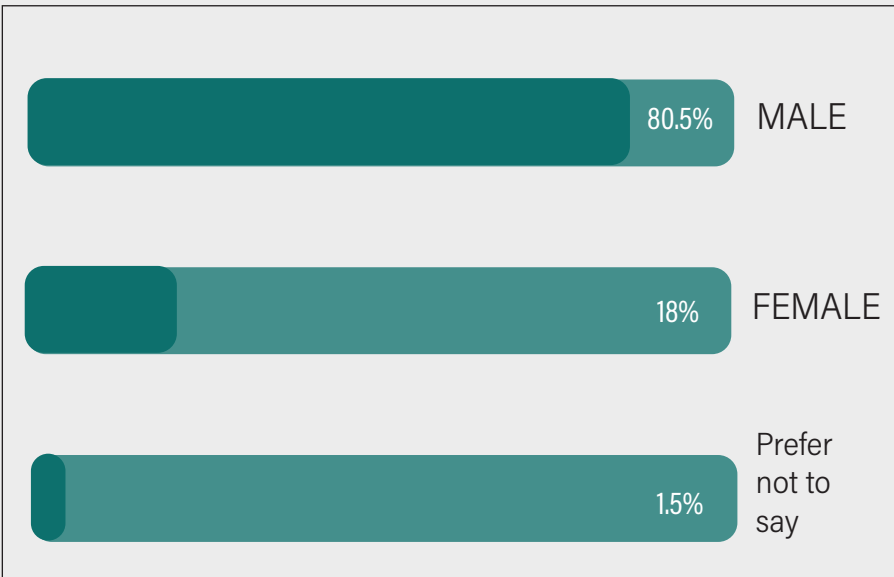
SALES PROFESSIONALS SELLING TO DISTRIBUTOR



SECTOR - DISTRIBUTOR

There are different distribution models across the Building Materials industry including one-step distribution and two-step distribution. Whatever the model, distribution plays a vital role in getting building materials products to market. Sales Professionals will generally sell to one specific channel depending on the business they work for, and there will be Distributor Representatives selling direct to the Builder / Contractor, selling to Retail stores, selling to Manufacturing and to Architecture and Design.

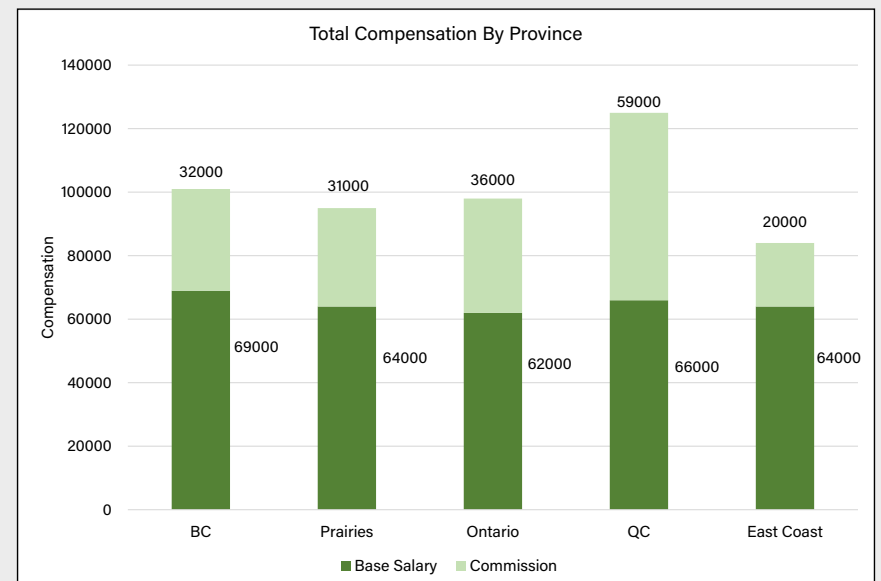
GENDER



FINDINGS

There is average "Satisfaction" of 55% in this sector, with consistent base salaries that do not vary much with years of experience or by Province or Territory. Commission rises as experience is accumulated; however, base salaries stay relatively the same. Quebec leads the country in terms of commission rates, and thus, overall compensation. As is their role, Sales Professionals in Distribution deal with more localized sales, with 39.2% travelling over 20% of their role. Overall, all compensation figures are below industry average for the Distribution sector.

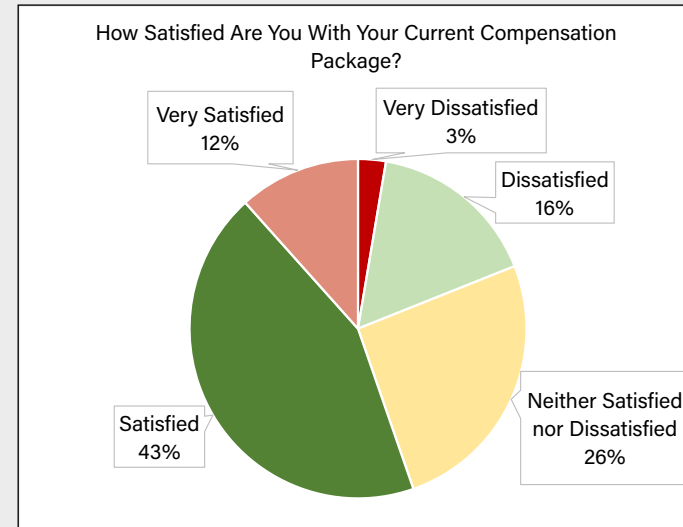
PROVINCE/TERRITORY



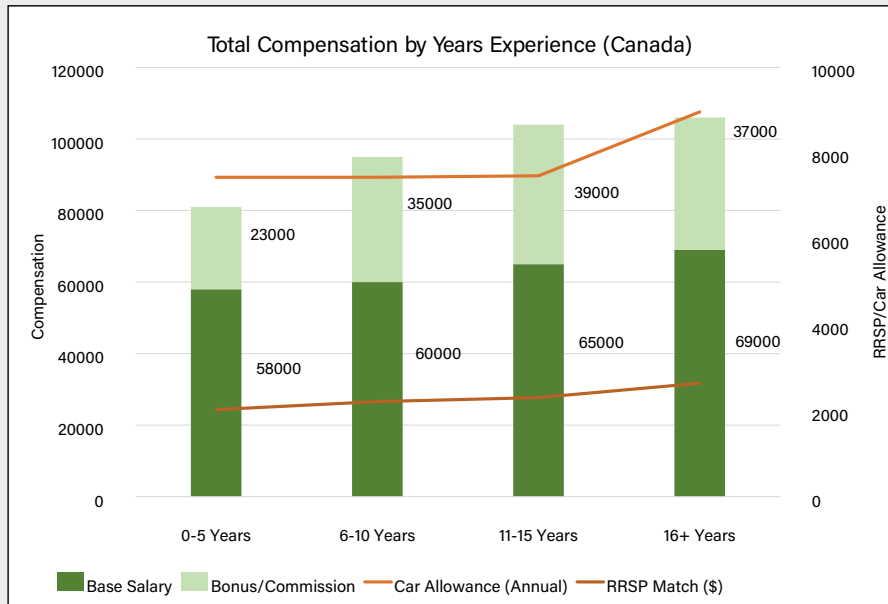
DISTRIBUTOR VS INDUSTRY AVG

| | Manufacturer | Industry Average |
|---------------|--------------|------------------|
| BASE SALARY | \$64K | \$71K |
| COMISSION | \$35K | \$37K |
| RRSP MATCH | 3.69% | 3.87% |
| TRAVEL > 20% | 39.2% | 43% |
| CAR ALLOWANCE | \$733 | \$747 |
| SATISFACTION | 55.3% | 54% |

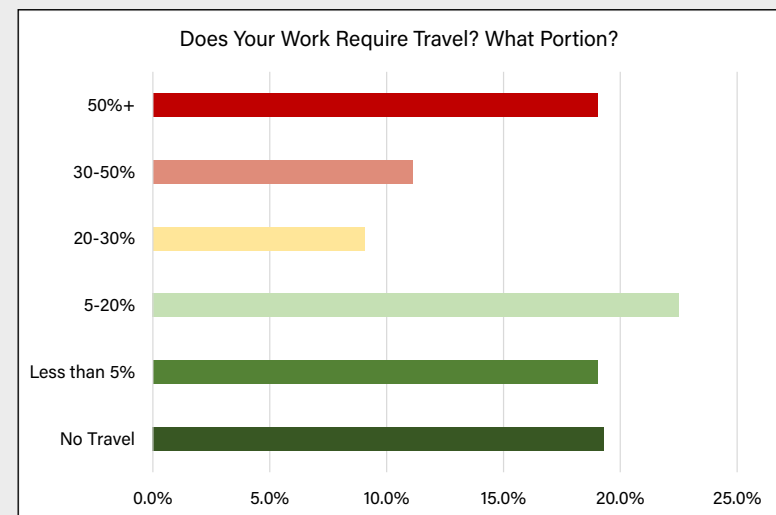
LEVEL OF SATISFACTION



YEARS EXPERIENCE



TRAVEL



THANK YOU FOR YOUR INTEREST IN OUR 2022, BUILDING MATERIALS SALES PROFESSIONALS SALARY SURVEY!

We would like to thank all of our Respondants who participated in the survey. Your input is greatly appreciated and without you there would be no survey.

If you are looking for more information on the survey please feel free to reach out directly to our team at marketing@dmcrecruitment.com or visit our website to contact any of our Consultants for more direct assistance here www.dmcrecruitment.com.

We specialize in Recruitment within the Building Materials, Construction and Architecture & Design industries and would be happy to help with any recruitment needs or career advice you may need currently or in the future.

Feel free to reach out to any of our Partners at the contact information below for further needs:

Stephen Borer - Partner, Building Materials sborer@dmcrecruitment.com

Alexandra Mather - Partner, Building Materials amather@dmcrecruitment.com

Shawna Wagner - Partner, A&D/Building Materials swagner@dmcrecruitment.com

