



Medical Sales Salary Report

Despite a still rocky economy, those working in medical sales continue to earn impressive incomes. At \$136,819, the average total income reported by our survey respondents remained steady, climbing less than 1% above the average income reported in our 2011 survey.

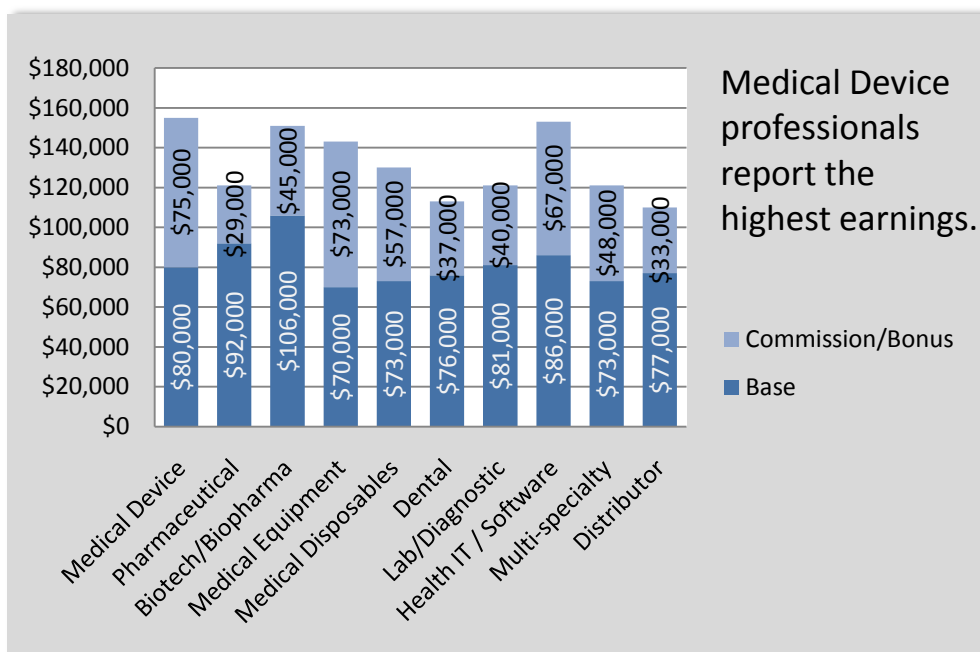
This year we took a closer look, not only at how income breaks down by product sold, but also by company size, gender, age, experience, and other influential factors. In an effort to compile as much data as possible, we sent our 2012 Medical Sales Salary Survey to Premium Members, Basic Members, and former Members too. Only responses from those currently working in healthcare sales were considered – bringing the number of eligible responses to 1,457. This pool of medical sales professionals provided us with anonymous data about their jobs, compensation, and other demographics. Keep reading to find out how the numbers break down.

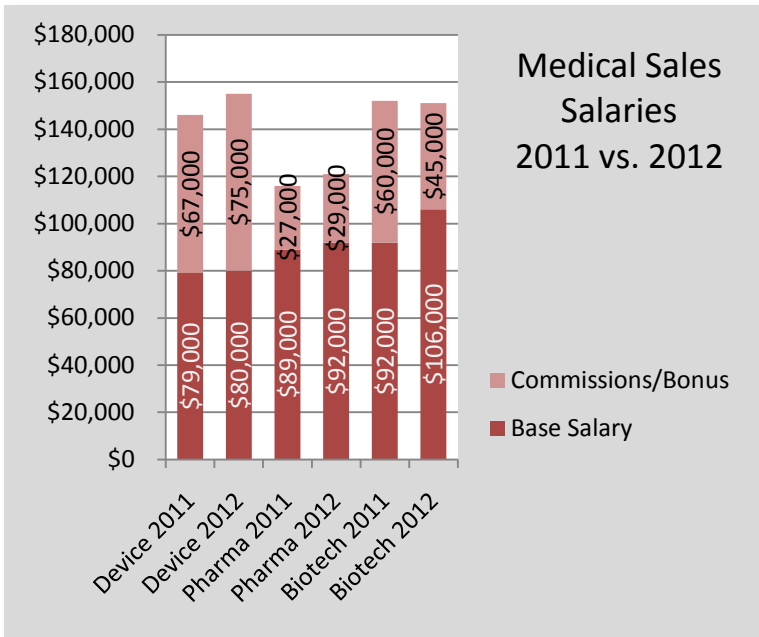
Respondents at a glance

Total Number:	1,457
Avg. Age:	40
Avg. Experience:	10 years
Avg. Base Salary:	\$82,519
Avg. Total Comp:	\$136,819
Avg. Salary Increase:	4.8%
Avg. Time Traveling:	30%

Income by Product Sold

As we have learned in previous surveys, the term “[med rep](#)” encompasses a wide range of medical sales professionals, so it was important to segment our medical sales salary survey by the type of product primarily represented. With an average total compensation of \$154,753, professionals working in medical device earned slightly more than those in health IT /software (\$153,409), followed by biotech sales professionals (\$150,932).





The 2011 Medical Sales Salary Survey measured base and total compensation in just 3 product areas – device, pharma and biotech. So how did the 2012 numbers in those categories compare? Base salaries are up across the board, with slight increases for those working in device (1%) and pharma (3%), and a significant jump for those working in biotech (15%). Interestingly though, commissions and/or bonuses for those in biotech were down significantly (25%) from 2011, while they were up for both device (12%) and pharma (7%). The drop in commissions and bonuses for those in biotech was offset by the increase in base salaries, so the total compensation was only negligibly affected (<1% drop).

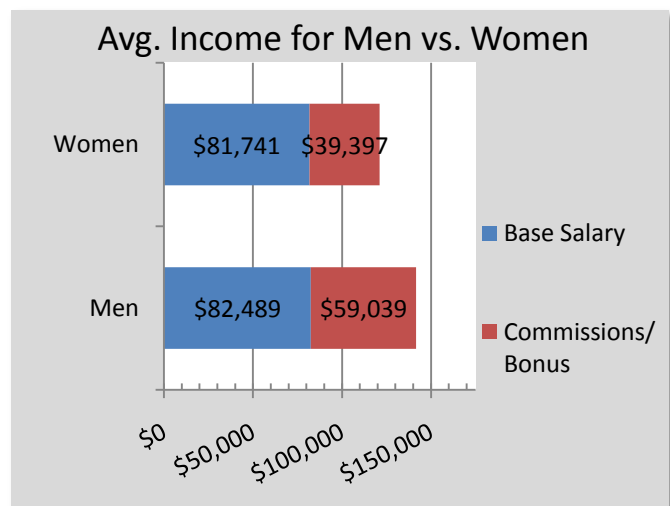
Medical Sales Salary by Function – Sales vs. Management

For those working in a sales capacity, there were negligible changes (<1%) from last year's average base salary and average commissions and bonuses. The average base salary for those who categorize their function as "sales" was \$76,964 and total compensation was \$131,252. For those working in management, base salaries were actually down 4% to \$120,239, but commissions and bonuses were up nearly 12%. So at \$186,589, total compensation was up from 2011, but only by 1%.

Obviously, it pays well to work in management, however, it is interesting to note that of the highest paid respondents (those reporting their total compensation as over \$300k), only 30% are in management. The majority (70%) of those earning more than \$300 thousand annually are strictly working in sales.

Medical Sales Salary by Gender

The results of the survey indicate that the wage gap continues, with men reporting a total compensation 15% higher than that earned by women. Base salaries however were much more on par, with women earning just 1% less than their male peers. The significant gap in total compensation could be explained by the fact that women accounted for only 16% of the higher-paying management positions reported in the survey. Another explanation could be the different types of products often sold by men and women. A greater percentage of men work in the highest paying fields, device (41% men vs. 21% women) and health IT/software (2% men vs. <1% women). More women, however, work in the lower

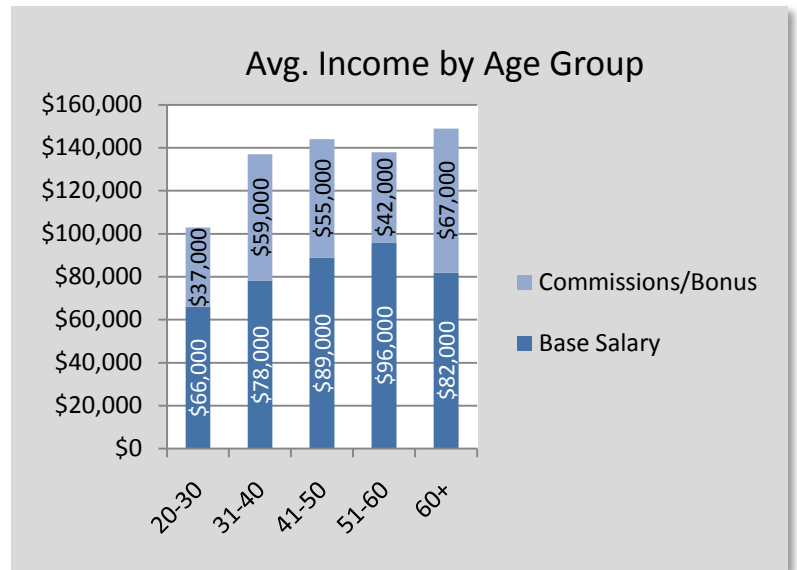


paying pharmaceutical field (37% women vs. 20% men).

Other figures lined up across genders. The average age for male and female respondents was 40, and both had an average of 10 years of experience. Both groups report that they travel, on average, 30% of the time. Despite the fact that these numbers largely line up, one significant number was radically different. Men accounted for 74% of survey respondents, indicating that medical sales is still a male-dominated space.

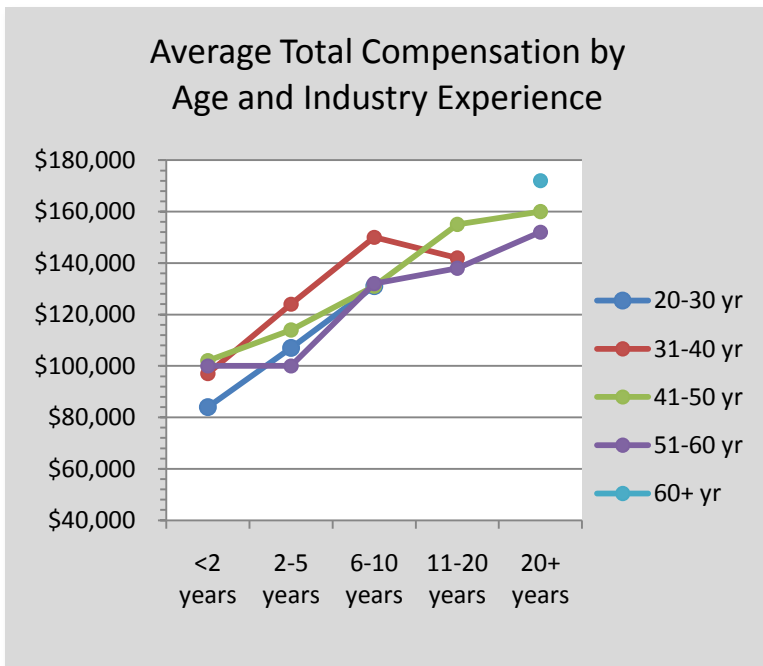
Medical Sales Salary by Age and Experience

Wisdom isn't the only thing that comes with age, so does money – or so it would seem from the results of the 2012 Medical Sales Salary Survey. For the most part, the older the respondent – the higher their income. Those in the over 60 range reported the highest average total compensation at \$148,594. The lowest total compensation (\$103,029) was reported by those in the 20-30 age range. A significant jump occurs in the 31-40 age group; as they report an average total compensation of \$137,002. Average total income continues to increase in the 41-50 range (reporting \$143,972), but oddly enough, it dips slightly (to \$142,037) as reported by the 51-60 age group.



Of course, with age typically comes experience, which is perhaps the more influential factor on salary. Predictably, those with the most experience (20+ years) reported the highest average total compensation (\$156,313), and those

with the least experience (<2 years) reported the lowest average total compensation (\$92,634). When experience is equal, one might predict younger professionals to earn less than their older peers, but as you can see in the chart, this is not always the case. Those in the 31-40 age group earn more than any other group with 2-10 years of industry experience. Professionals in the 41-50 age group earn the most of those with 11-20 years of experience. Professionals over 60 with 20+ years of experience reportedly earn more than any other age group with equal experience. It would be interesting to know if this age group holds the income advantage even when they have less experience, but unfortunately, there were not enough respondents who fit those criteria to provide statistically relevant data in this area.

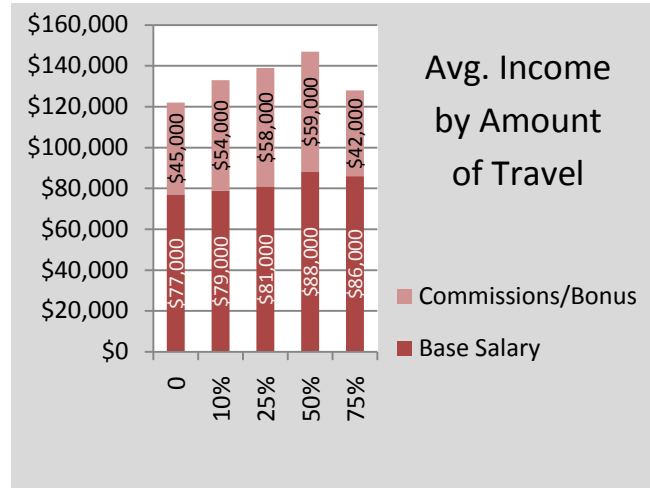


Other Factors – Company Size, Travel, Employee Type

Other factors that may influence a medical sales professional's income include the size of the company they work for, how much they travel, and whether they are considered an employee or a contractor. With an average total compensation of \$137,053, employees (who made up 93% of our respondents) earn 9% more than contractors.

Those working for large companies (classified as a company with more than 1,000 full-time employees) make, on average, 10% more than those working for small companies (<50 full-time employees) and negligibly more than those working for medium-sized companies.

Survey respondents reported spending an average of 30% of their time traveling, but did those who travel more earn more for their trouble? To an extent, yes. Those who reported that they do not travel at all for their jobs earned an average total compensation of \$122,025 as compared to the \$133,129 earned by those traveling 10% of the time, the \$139,361 earned by those traveling 25% of the time and the \$147,070 earned by those traveling 50% of the time. The increase ends there however. Respondents who spend 75% or more of their time traveling reported an average total compensation of \$127,880 - 4% less than those who spend just 10% of their time on the road. So it seems that it pays to travel, but not more than half the time.



Other Benefits / Increases

In addition to impressive incomes, medical sales careers often come with additional perks such as expense accounts, company cars, stock options and more. The MedReps.com Survey confirms this still to be the case with 74% reporting access to expense accounts, 43% have a company car, and 39% have a car allowance. True to reputation, pharmaceutical reps reported the highest instance of company cars (83%). Profit sharing (17%) and employee stock purchase plans (35%) were also commonly reported benefits across the industry.

While the average medical sales income has changed very little since the 2011 report, over half of all respondents reported getting a salary increase during the past 12 months. Interestingly, those working in pharma and biotech were more likely to have received an increase than those working in any other field. For those who did receive an increase, the average was a 4.8% adjustment.

Conclusion

With an average total income of \$136,819 and considerable perks, medical sales is a highly sought after profession. However, not everyone finds equal success in this highly competitive field. Factors such as the product sold, level of experience, size of company, even age and gender, may factor into earnings, but the most important predictor of financial success is a professional's commitment to their job and their ability to serve as a valuable resource for their customers. For more information about medical sales salaries and the jobs that pay them, visit MedReps.com.