



# SALES MANAGEMENT

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KATALIN SARKADI, MBA, Professor of Practice

# About Me

- Katalin Sarkadi, linguist (English major, JPTE), economist (BGE), MBA (Durham University) , Professor of Practice
- 20+ years of multinational background, director and senior marketing manager positions, national and regional CEE
- Different sectors: FMCG, telecommunication, non-profit, advertising
- <https://www.linkedin.com/in/katalin-sarkadi-mba-516a5145/>



# INTRODUCTION

- Coospace course description and Syllabus
- NEW COOSPACE! For ERASMUS students EMAIL is necessary to enter (turn to student office!)
- <https://cs5.uni-bge.hu/Scenes/302674>

# Course Requirements

Home Assignments	Description	Deadline	Replacement	Extended deadline
1.	Team works seminars / team assessments	determined by the seminar leader	Yes	set by the seminar leader
2.	Student (team) presentations and ppt uploading	according to the scenario by the seminar leader	Yes	set by the seminar leader
3.	Individual tasks and essays	according to the scenario by the seminar leader	Yes	according to the scenario by the seminar leader
Midterm Assessments	Type of assessment	Deadline	Replacement	Extended deadline
1.	Midterm test(s) (min. 61%) - insitu classroom (CP)	set on coospace	Yes	just with doctoral certificate
Preconditions for Signature	Details	Deadline	Replacement	Extended deadline
	Successful midterm test(s) - passed with min. 61% ; accepted (by Professor) and uploaded presentations (onto the Coospace in three working days after the presentation); successful and accepted (by Professor) team works and individual tasks. Attending at the seminars is obligatory, maximum 20% can be missed (2 seminars could be missed, 3. missing an extra individual assignment is obligatory)	last week of semester, corrections during the semester	Yes	see at the tasks

# Course Requirements

Grading Methods (Term Mark, graded upon course work)	Description	Points		Grade
		0	60	1
	Results of passed midterm tests + quality of presentations	61	70	2
	+ quality of team works + quality of individual	71	80	3
	assessments + quality of seminar work (plus points can be	81	90	4
	added)	91	100	5
Grading Methods (Exam)	Description			

# Topics of the Course

- Introduction to Sales Management, basics and definitions, its place in corporate management
- Sales Strategy
- Participants of sales system
- Marketing and sales strategy in different stages of the retail life cycle
- Sales Process – planning and evaluating the steps of the sales process
- Sales Approach
- Structure and functions of Sales Force Organization, Outsourcing Analysis
- Planning of Sales, Forecast Analysis, Methods of Short and Long-term forecasting

# Topics of the Course

- Sales Representative Performance – Quota system, objective and subjective methods of evaluation
- HR aspects of Sales Management I. Recruitment and Selection
- HR aspects of Sales Management II. Performance evaluation and motivation
- Employer brand – Corporate Brand and their effects on sales
- Factors influencing customer decision
- Negotiation Techniques in Sales
- Online vs Offline Sales
- Omnichannel vs Multichannel
- Buyer Persona
- Ethical issues in sales management



# Readings

## Compulsory Reading

William L. Cron – Thomas E. DeCarlo: Dalrymple's Sales Management: Concepts and Cases, John Wiley & Sons, 2008

Materials of Lectures and Seminars

## Recommended Reading

The Secrets to Measuring and Managing Sales Performance; McGraw Hill Professional, Oct 14, 2011.

John Treace: Nuts and Bolts of Sales Management: How to Build a High Velocity Sales Organization; Emerald Book Company, 2011

Growth: Five Proven Strategies from the World's Sales Leaders; Wiley, 2012



# Learning support

- Handbook to the Lecture:
  - Katalin Sarkadi: Sales Management
  - Uploaded to Cospace5

# Content of Book – Sales Management

1. Introductory video about the Sales Management Course

2. Chapter 1. Introduction to Sales Management

3. Chapter 2. The Sales Strategy

4. Chapter 3. The Sales Process

5. Chapter 4. The Sales Force Organization

6. Chapter 5. Forecasting

7. Chapter 6. Sales Performance Management

8. Chapter 7. Recruiting and Hiring the Sales Force

9. Chapter 8. The Sales Training Process

10. Chapter 9. Relationship Management

11. Chapter 10. Roles and Competencies of Sales Managers

12. Chapter 11. Negotiation Techniques in Sales

13. Chapter 12. The Characteristics of Online Sales

14. Figures

15. References

# Introduction to Sales Management, basics and definitions, its place in corporate management

- **What is sales management?**
- Sales management can be described as the **process** of
  - planning,
  - recruiting,
  - training,
  - organizing and
  - supervising a company's sales force. The key points making a difference between selling and sales management are derived exactly from the **management** features, namely planning, organizing and supervising.

# Selling

- It entails a **direct** relationship between the salesman and the customer, in a personal selling process. It contains many principles, techniques and personal skills and different types of selling tasks.
- The importance of selling in a company's life predominantly comes from the following factors:
  - Salespeople are the ones who have **direct** connection with the customers.
  - They act and are perceived as the '**face**' or 'lengthened hand' of the company.
  - They have a **direct and active part in the revenue generation process**.
  - As such they are often called the **engines** of the company (whereas marketing is the catalyst, but it depends a lot on the scope and orientation of the company and its organizational set-up).
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# Direct Selling



[https://www.researchgate.net/figure/The-value-chain-in-the-traditional-system-vs-direct-selling\\_fig2\\_350413626](https://www.researchgate.net/figure/The-value-chain-in-the-traditional-system-vs-direct-selling_fig2_350413626)

# B2B markets

- B2B markets assume a **B**usiness to (2) **B**usiness context, large buying quantities and purchasing value, and a definite set of providers and buyers, as well as a high concentration of the market. The target customers can be corporate companies, but also institutions (**B2I**) and governments (**B2G**).
- Large or smaller *corporations* in general have a strong buying power and position, the purchasing process is highly centralized and managed by the purchasing department locally, regionally or even globally, depending on the coverage and the size of the company itself. Very often, there are global or regional deals for IT services, agency deals, raw materials purchasing, and purchasing depends on the product or service, and technical experts from both the buyer and seller's side are involved.

## B2B - Governments

- *Governmental* purchasing is highly centralized and controlled by legislation, so these processes are rather long and bureaucratic, and sometimes it is difficult to meet the requirements of the purchaser.



## B2B markets - Institutions

- *Institutions* are typically non-governmental organizations (NGOs), or other non-profit organizations. As these organizations are funded by the public or institutional funds (like EU funds), the process is also bureaucratic and there is strong competition among applicants, because the NGO sector itself is not well-financed and the available budgets are low.

# B2C markets – Business to Customer/Consumer

- B2C markets are characterized by a
- **high number** of customers or consumers,
- **standardised** products,
- and the **value** of the products are relatively **low**
- The buyers are not concentrated but **spread geographically**,
- the process is driven by **advertising, distribution and promotion**,
- and the purchasing itself is a **simple process**.
- The primary aim is to **create short-term value efficiently**.
- **Brand awareness or brand recognition** are key,
- consumers **are more emotional in their purchasing decisions**, impulse purchases can happen.

# B2C markets – Classical sales channels

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# B2C markets – Business to Customer/Consumer

- **the retail channels** - key categories: hyper/supermarkets, discount stores (e.g. Lidl, Aldi, Penny) cash-and-carries (e.g. Metro), independent stores, specialized stores for a given product category like cosmetics (e.g. Rossmann, DM), tobacco, home improvement stores (e.g. OBI), etc;
- - **online** / virtual selling environment;
- - a **combination of retail and online** - brick-and-mortar shops (physical shops) with online presence (typical omni-channel process);
- - **Horeca (Hotel, Restaurant, Café)** channels (products can be: beer, spirits, food, snacks, etc.);
- - **petrol** (petrol stations)
- **Fairs**, exhibitions
- other

# B2C markets – How to reach the consumers

- online: ads, social media, blogs, forums;
- - print: magazines, newspapers;
- - TV;
- - POS (Point of Sale) – communication materials placed in the store or at the point of the actual purchase (therefore POP - point of purchase is also a widely used abbreviation): leaflets, posters, flyers, shelf-talkers, hangers, wobblers, floor-stickers, interactive signs and displays (illumination, kinetic, etc.), beer mats, table tents, etc.
- Integrated marketing focuses on harmonizing the communication and purchasing activities at each customer touch-point in any of the information-gaining or purchasing moments, throughout the customer journey

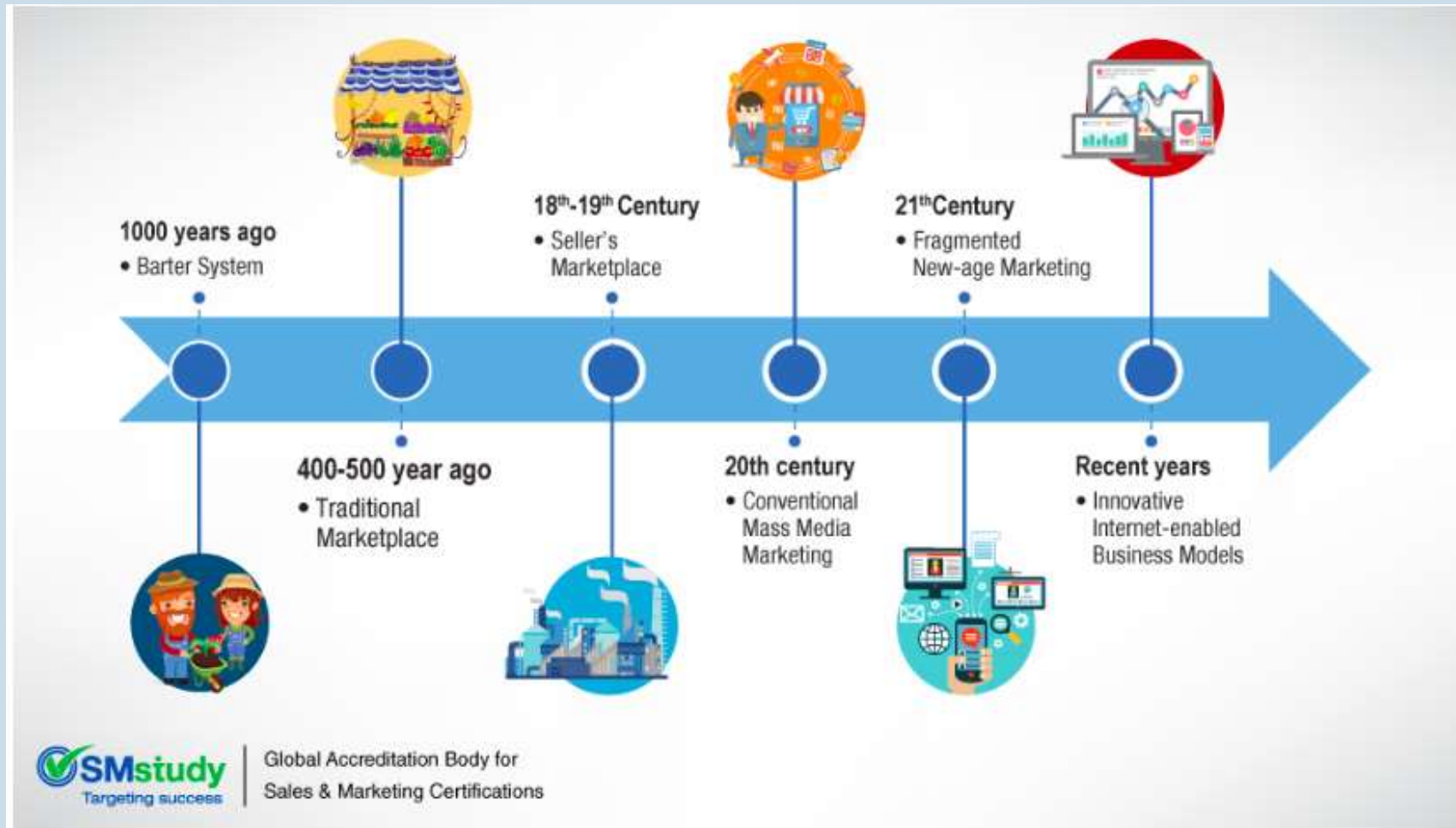
# B2B and B2C customer relationship (software industry example)

## Differences Between B2B and B2C CRM Software

Not all CRM software is created equal. Solutions may have different features or focuses depending on whether they're for B2B or B2C environments. The chart below breaks down some of the main areas where B2B and B2C selling differ — and how that impacts the software used.

B2B Sales Environment		B2C Sales Environment	
More complex, multiple buyers involved 	Complexity	Less complex, straight to consumer 	
Ranges from 1 - 12+ months 	Sales Cycle	Can take minutes or days 	
Larger deal sizes, fewer purchases 	Deal Sizes	Smaller sales in high quantities 	
Fewer leads generated 	Number of Leads	Lots of leads generated 	
More stages involved before purchase 	Marketing Touchpoints	Fewer touchpoints needed 	

# The Evolution of Selling





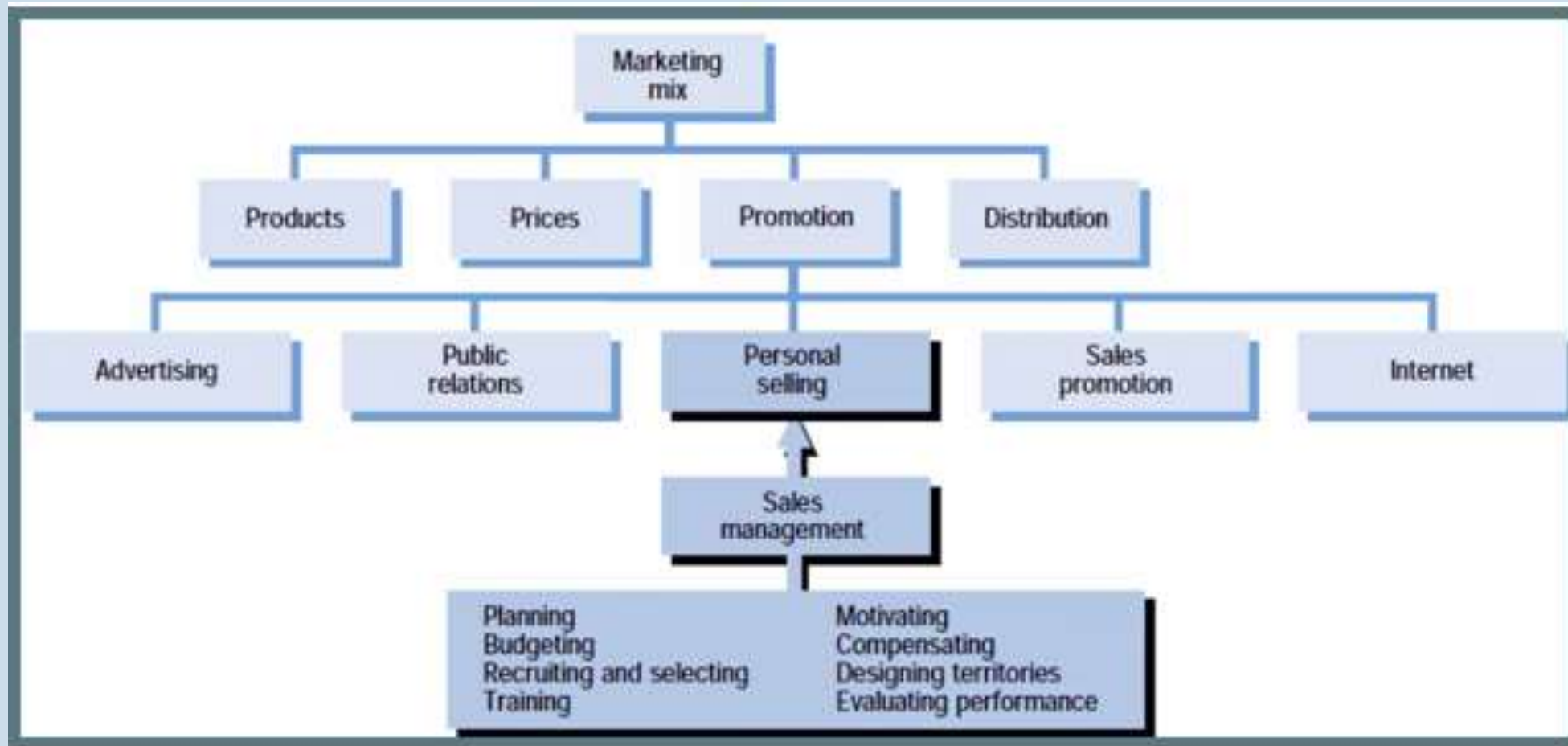
# The Role of Sales Management

- **The role of sales management in corporate management**
- Personal selling is part of promotion - 4Ps, also known as the marketing mix, also including public relations, sales promotion, publicity and sponsorship. If we successfully combine the listed elements, we can arrive at the term: *integrated marketing communication*.

# The 4Ps

- **Product:** product features, quality of the product, product range, packaging.
- **Price:** price levels, discounts, changes in the price, payment and credit terms.
- **Place**– the place, where the actual sales take place, distribution channels, inventory, and number of intermediaries.
- **Promotion:** personal selling, direct marketing, advertising, public relations, sales promotion, publicity and sponsorship.

# The Marketing Mix



# The Role and Function of Sales Management

- Sales management has a strategic role in corporate management from strategic initiatives to the entire implementation, control and evaluation process.
- As sales have a direct impact on revenues, and overall contribution to the achievement of the company objectives and goals, it has a very important role.
- Companies – depending on the sector, the category and the competitive and legal environment – allocate relevant resources to create appropriate commercial and sales strategies, develop an appropriate sales force and train, manage, control and evaluate their activities, under the key guiding principle of effectiveness.
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# Nature of Sales Management



# Nature of Sales Management

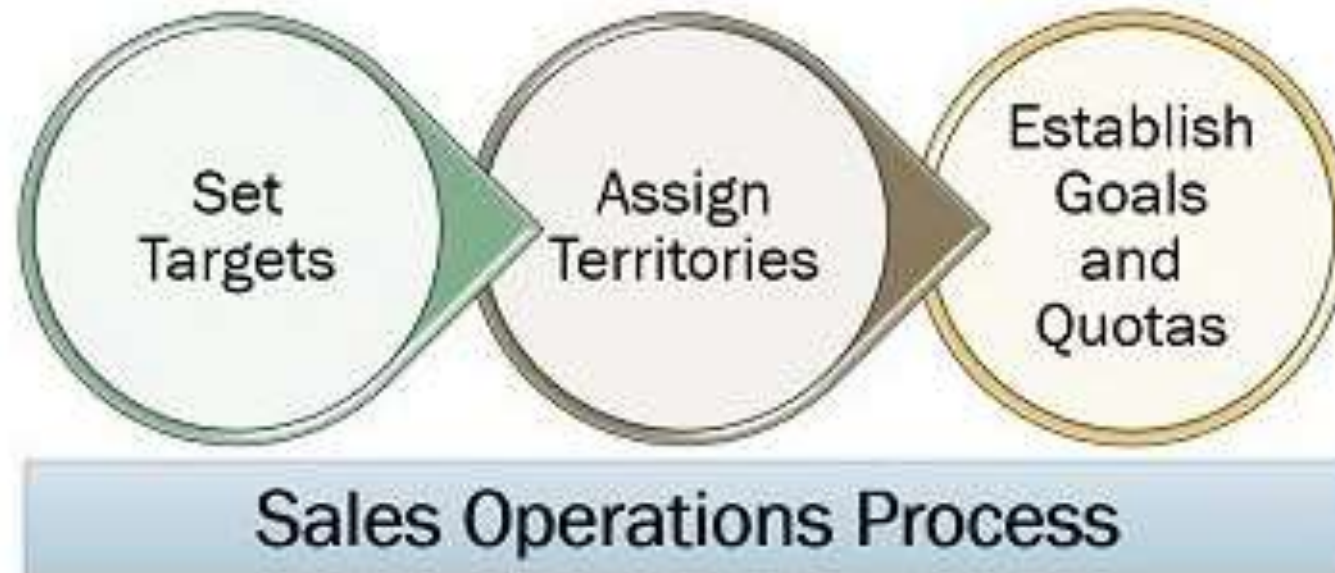
- **Goal-Oriented:** Similar to other management activities, sales management also have a specific purpose and intended for the achievement of specified goals or objectives.
- **Continuous Process:** The sales manager needs to perform sales management functions regularly, and this process is never-ending.
- **Systematic Approach:** It is an organized way of handling the sales function of the company where every problem has a defined and proven solution.
- **Relationship Selling:** The salespeople make efforts to build a strong customer relationship to sell the products or services effectively.
- **Marketing Management Integration:** Marketing is a broader concept; marketing management includes all the activities related to sales management.
- **Different Sales or Job Position:** It is the combined efforts of the whole sales team, including salesperson, sales executive, sales head, sales manager and after-sales service personnel.
- **Pervasive Function:** It is a universally applicable concept which has been adopted and tested by every kind of business organizations.

# Key Aspects of Sales Management





# Sales Operations Process



# Sales Management Scope

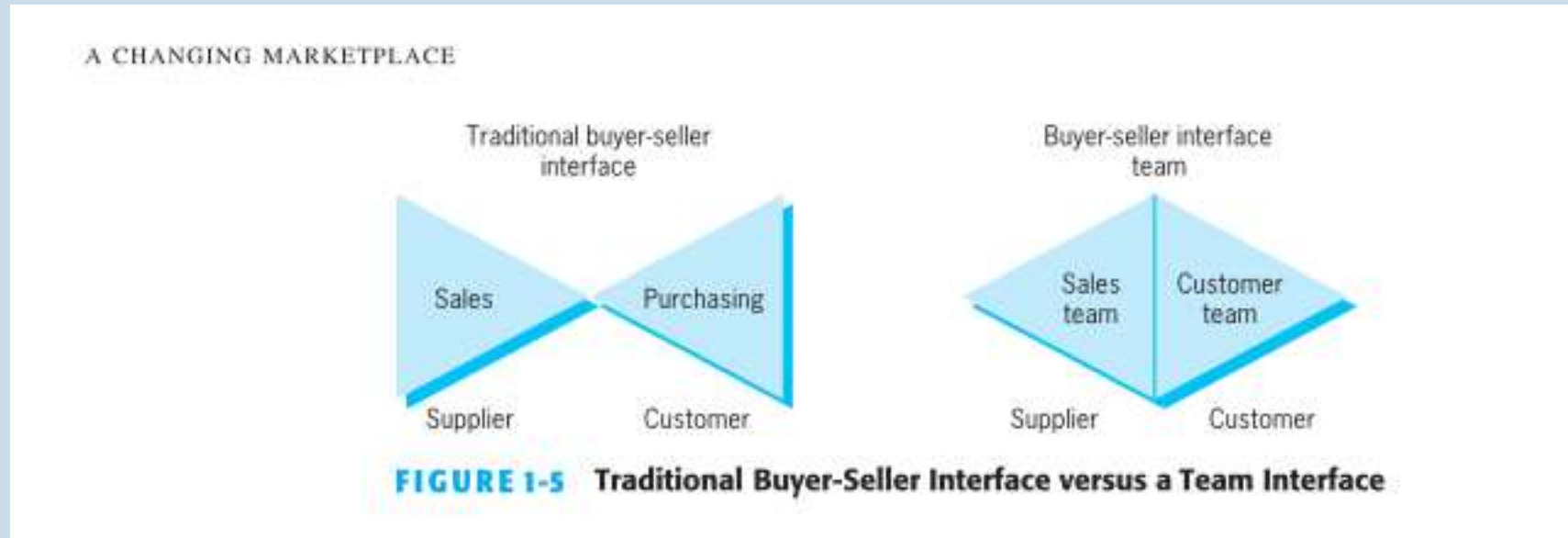


# Transactional Selling vs Solution Selling



**FIGURE 1-4** Contrasting Transactional and Solutions Selling Models

# A Changing Marketplace



# Sales Management Competencies



**FIGURE 1-6** A Model of Sales Management Competencies