



SALES MANAGEMENT

Session 3



SALES MANAGEMENT

Topics

- Selling Skills – Negotiation Skills
- Buyer - Seller Dyads
- Decision Making Units

SELLING SKILLS

- It is rather difficult
 - to generalize about the characteristics of a good salesperson and
 - the selling skills required for success in selling
 - because there are different types of sales jobs.
- The characteristics and the selling skills would vary depending on the type of a given sales job.



SELLING SKILLS

- The characteristics are **empathy, burning desire, team selling** and **technology savvy** to be particularly important.
- The absolutely necessary skills for success in selling are **communication skills, listening skills, negotiation skills** and **problem-solving skills**.



COMMUNICATION SKILLS

- Communication skills are important to sales managers as well as to salespeople.
- The sales manager continuously transmits information from the upper management to the salespeople and
 - from the salespeople to the upper management.
- This communication should be correct, complete and at an appropriate time.



COMMUNICATION SKILLS

- In a sales situation,
 - communication is transmission of verbal and nonverbal information and
 - understanding between a salesperson and a buyer.
- Two way communication is required to make a sale.
- Buyers generally react verbally and non-verbally to the salesperson's presentation.



COMMUNICATION SKILLS

- Modes of communication typically used in a sales presentation are
- words,
- visual aids
- gestures and
- non verbal communications.



Master
Listening
Effective Body
Language Well
Non-verbal Business
Cross Good
Message Active
Empathic
Cultural
Listen
Communication Skills

COMMUNICATION SKILLS

Non-Verbal Communication

- Acceptance and openness can be communicated through positive body language.
- Resistance and rejection can also be communicated with unpleasant body language.
- Non-verbal communication consists of **posture, gestures, eye contact, facial expressions, and overall grooming**



COMMUNICATION SKILLS

Verbal Communication

- A sales professional's tone should be pleasant and
 - the pace of speech should be moderate
 - not too fast and not too slow.
- A good salesperson does not use vague words that have multiple meanings.
 - Examples of such words are **regularly, frequently and sometimes.**



COMMUNICATION SKILLS

Verbal Communication

- A salesperson should not use jargons
- Successful sales professionals use positive and helpful phrases and questions
 - What is your opinion about -----?
 - Would you be comfortable with -----?
 - What do you feel is the best way -----?
 - Together I am sure we can -----?



LISTENING SKILLS

- In communication, there are two components:
 - **giving information and listening information.**
- Both components are important
 - but listening is more important than talking
 - because it makes the other person feel significant.
- Salespersons are generally known to be good talkers.
- However, what separates successful salespeople from others is their ability or skills of listening.



LISTENING SKILLS

- Effective salespeople
 - listen very attentively and actively
 - to what is said and
 - what is unsaid
 - by analyzing both verbal and non-verbal communications.
- A prospective customer will speak if he/she is encouraged by the salesperson through his positive remarks.....



LISTENING SKILLS

- Some of the important points for creating a positive environment for listening are:
- While listening, acknowledge and encourage the other person by nodding your head and occasionally saying “yes” or something to that effect.
- Maintain eye contact, without staring at the other person. Don’t keep looking around the room or outside.
- Don’t interrupt. It is bad manners.
- While listening, avoid creating distractions, such as playing with a pen or tapping your finger.



NEGOTIATION SKILLS

- Negotiation is a fact of life.
- It is the basic means of getting what you want from others.
- It is a two-way communication process designed to reach an agreement
 - when the two sides have some interests' that are shared and others that are opposed.



NEGOTIATION SKILLS

What is Negotiation

- Negotiation can be defined as a process for resolving conflict between two or more parties where both or all modify their demands to achieve a mutually acceptable solution.



NEGOTIATION SKILLS

- **Important Points in Negotiation**
- Negotiation is a process of resolving conflicts/differences and
 - if there are no conflicts/differences, there is no need to negotiation.
- There is a need to resolve conflicts, more so with our customers.
 - If conflicts are not resolve there are chances to loose them.



NEGOTIATION SKILLS

- **Important Points in Negotiation**
- Negotiation does not mean persuading the others to accept our offer.
 - Rather we should listen to others, and their propositions.
 - If possible modify one stand or suggest/guide the others to modify there demand.
- Through negotiations we try to reach at a mutually acceptable conditions to solve a problem.



NEGOTIATION SKILLS

Important Points in Negotiation

- Salespeople should have certain skills and qualities to be effective in negotiation.
- Whether salespeople talk to one person or a group of people, there is a possibility of negotiation.
- skills and qualities required by salespeople,
 - **planning, subject knowledge, listening, patience, communication, intelligence, clear thinking, integrity and trustworthiness**



NEGOTIATION SKILLS

When to Negotiate?

- The buyer puts certain conditions for buying to the seller.
 - For instance, “If you will reduce the price of your product by 8 percent, I will buy”.
- When the agreement between the buyer and seller
 - will have to take place on several factors, such as price, delivery, quality and payment terms.



NEGOTIATION SKILLS

When to Negotiate?

- When the product or service to be exchanged
 - is customized to the requirement of the buyer and
 - may take a long-time to execute the order.
- When there is a zone of agreement between the two parties and
 - the final price is to be decided through bargaining.



NEGOTIATION SKILLS

Preparing for Negotiation with Customers

Successful salespeople prepare well for negotiations with customers by following the steps described as follows

- **Planning**
- **Building Relationship**
- **Purpose**



NEGOTIATION SKILLS

Styles of Negotiation

There are four different styles of negotiation.

These are:

- (i) I win, you lose
- (ii) Both of us win
- (iii) You win, I lose
- (iv) Both of us lose

Out of the four styles of negotiation, the style that is typically used for customers, suppliers, employees, and relatives is

‘both of us win or win-win’



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NEGOTIATION SKILLS

Guidelines for Negotiation

- Much before the final negotiation, build an environment of trust and confidence.
- During the negotiation, be polite and humble,
 - which would help the customer to communicate in easy manner.
- In the initial stage of negotiation,
 - the focus should be on identifying and agreeing to the problems rather than solutions.



NEGOTIATION SKILLS

Guidelines for Negotiation

- Both sides should then work together,
 - pooling their resources,
 - ideas and sharing information to solve the problems stated earlier.
- Both sides should make concessions at regular frequency.
- Defensive posture, legalistic, or contractual approach should be avoided.



NEGOTIATION SKILLS

Negotiating as an Organizational Capability

- Provide training and preparation resources for negotiators
- Clarify Organisational goals and expectations regarding any agreement and when negotiator should walk away
- Insist that every negotiating team developed a best alternative to a negotiated agreement and work to improve it
- Develop mechanism for capturing and reusing lessons learn from previous negotiations
- Develop negotiating performance measures and link them to rewards



PROBLEM-SOLVING SKILLS

Consultative salespeople or sales teams in business-to-business (B2B) selling situations create a value for their customers by solving the customers' problems.

The problem solving process typically includes the following steps

- (i) identify or define the problem,**
- (ii) create or develop alternative ways of solutions,**
- (iii) select one of the alternatives as a solution,**
- (iv) implement the selected solution,**
- (v) evaluate the solution.**



CHARACTERISTICS OF AN EFFECTIVE SALESPERSON

Though every selling position and situation is different, most sales managers agree that there are generally desirable characteristics for effective salespeople.

- (i) Burning desire**
- (ii) Team selling**
- (iii) ICT Savvy,**
- (iv) Empathy,**
- (v) Behavioural Factors.**
- (vi) Discipline**



BUYER SELLER DYAD

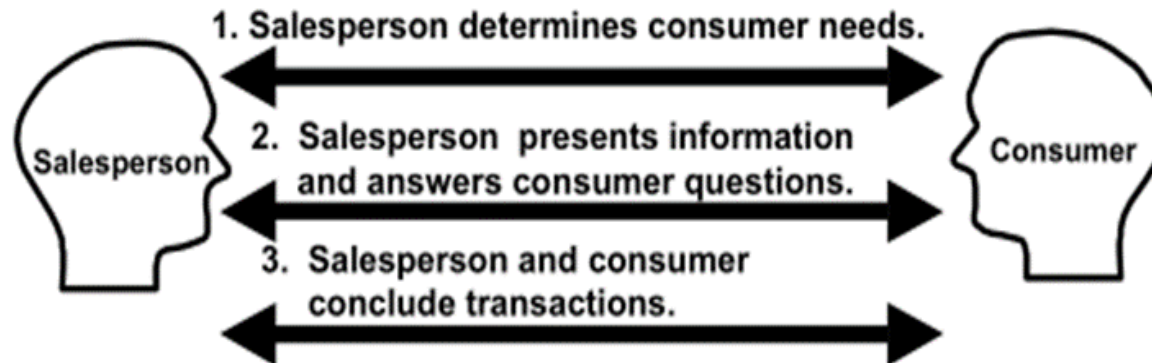


BUYER SELLER DYAD

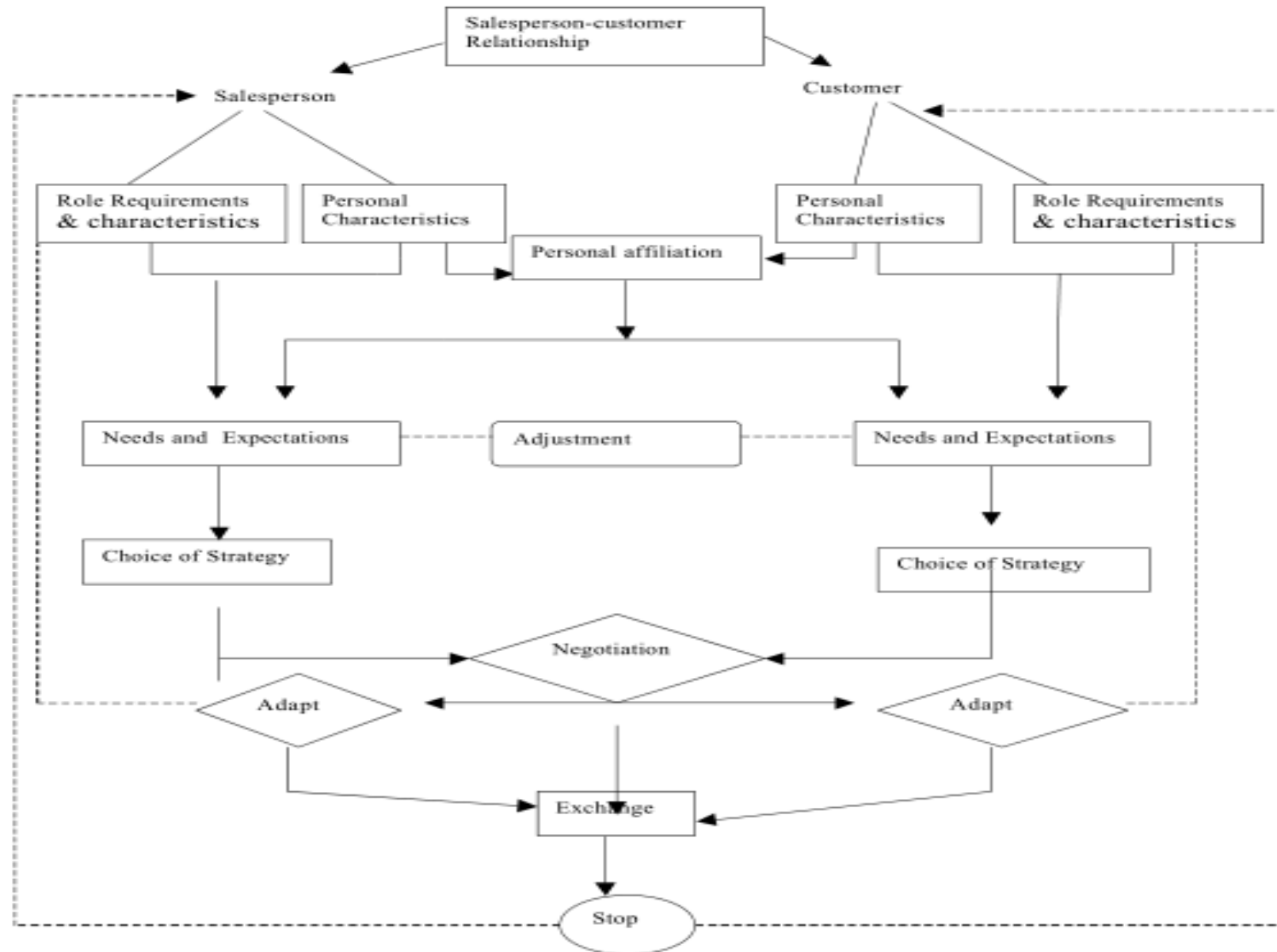
- Fundamental to understanding salesmanship is recognition that it involves buyer-seller interactions.
- Sociologists use the term “dyad” to describe a situation in which two people interact.
- The salesperson and the prospect, interacting with each other, constitute one example of a “buyer-seller dyad”

BUYER SELLER DYAD

- Good communication is a key to successful marketing, and it is particularly important for positive personal selling results.
- The **buyer-seller dyad** is flexible and efficient, closes sales, and provides feedback



BUYER SELLER DYAD



Conceptual model of 'Salesperson - Buyer Dyadic Relationship'

DECISION MAKING UNITS

What is the Decision-Making Unit (DMU)?

The Decision-Making Unit (DMU) or Buying Center is a group or a team of individuals who participate in the organization's buying decision process. All those individuals and groups who take part in the purchasing decision process share common goals and the risks arising from the decisions.

There are several key players in this process namely the initiators, the gatekeepers, the buyers, the deciders, the users, and the influencers.

