

## My Story



‘People who can’t do, they teach! (exception is not an example)’

‘Record wise, best coaches are mostly unsuccessful players’

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# Sales & salesmanship in the ERA of 4iR



# Dominance of Personal Selling

- Personal selling is dominant because:
  1. Compared to consumers, there aren't as many potential business customers.
  2. The dollar purchases are much larger.
  3. The products and services are more technical.
  4. Salespeople need to know about their customers' businesses and about their customers' customer's businesses, too!

# Cost of Personal Selling

- Across all industries the average cost of making a sales call is \$200+, although it can cost more in some industries, less in others.
- There is a significant investment in utilizing personal selling.
- To maximize effectiveness and efficiency, the personal selling function must be carefully managed and integrated into the marketing mix.

# **Sales Force Management**

- **Effective sales force management is fundamental to the firm's success!**
- **Sales management means:**
  - 1. Planning**
  - 2. Organizing**
  - 3. Directing &**
  - 4. Controlling the Personal Selling Efforts**

# **Sales Force Management**

- **Involves (though not inclusively):**

**a. Estimating the forecasts**

**b. Determining size of sales force**

**and**

- **Selecting**
- **Training**
- **Deploying**
- **Establishing activity & financial goals**
- **Motivating, and**
- **Monitoring sales people's efforts**

# Organizing the Personal Selling Effort

## Product Oriented Sales Organizations

- **Salespersons specialize in relatively narrow components of total product line. Appropriate with huge product offerings (e.g., General Electric).**
- **Prime benefit: Enables sales force to develop deeper product knowledge level--enhances value of firm's total offering to customers.**
- **Disadvantage: Expensive and sometimes confusing for customers.**

# Organizing the Personal Selling Effort

## Market-Centered Organizations

- Salespeople learn specific requirements of industry or customer type (e.g., specializing in the IT/ITES industry)
- Salespeople are better prepared to identify and respond to buying influentials



# **Traditional Selling vs. Key Account Selling**

- **Traditional selling emphasizes maximizing revenues.**
- **Key account selling is multi-faceted, emphasizing:**
  - 1. Closer long term relationships**
  - 2. Partnerships to reduce overall costs or advance performance for the customer**

Table 14.1

# Traditional Selling vs. Key Account Selling

	Traditional Selling Focus	Key Account Selling Focus
Sales Volume	Varies	Large volume of purchases by the customer often across multiple business of the seller
Nature of Product/Service Offering	Core product/service	Core product/service plus customized applications and value-added services
Time Horizon	Short-Term	Long-Term
Benefits to Customer	Lower prices & higher quality	Lower total costs; Broader set of strategic benefits
Information Sharing	Limited: Narrow focus on price and product features	Extensive: Broader focus as firms share strategic goals
Sales Force Objectives	Maximize revenue Satisfied customers	Become preferred supplier; Lower customer firm’s total costs; Enhance learning in the relationship
Structure of Selling Center	Individual salesperson is primary link to customer organization	Many individuals from multiple functional areas on the selling side interact with counterparts in the customer organization
Structure of Buying Center	Purchasing Manager and a few other individuals are involved in buying decisions	Many individuals within the customer organization interact in making decisions and evaluating the relationship

Source: Adapted with modifications from Joseph P. Cannon and Narakesari Narayandas, “Relationship Marketing and Key Account Management,” in *Handbook of Relationship Marketing*, Jagdish N. Sheth and Atul Parvatiyar, eds. (Thousand Oaks, Ca.; Sage Publications, 2000), p. 409; and Frank V. Cespedes, *Concurrent Marketing: Integrating Products, Sales and Service* (Boston: Harvard Business School Press, 1995,) pp. 186-202

# The Cycle of Account Management Success

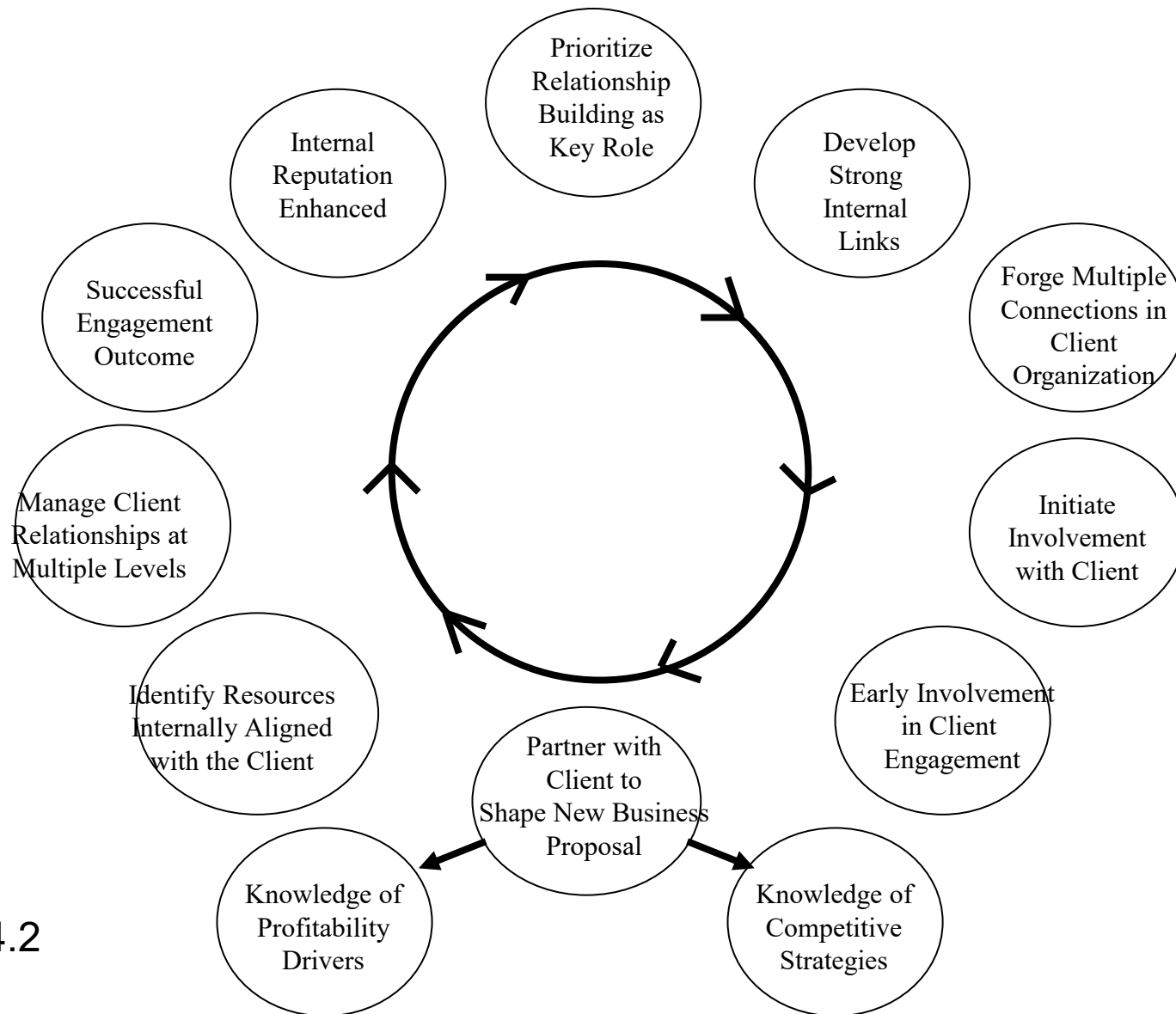


Fig. 14.2

# **Sales Force Administration Includes:**

- ✓ Recruitment and Selection
- ✓ Training
- ✓ Supervision and Motivation
- ✓ Evaluation and Control

# Recruitment & Selection

- **Q: Should the company hire experienced salespeople or hire and train inexperienced people?**
- **A: It depends upon:**
  - a. **Size of firm**
  - b. **Nature of selling task**
  - c. **Firm's training capability**
  - d. **Market experience**

# Recruiting

- ✓ **Recruiting is a negotiation between two parties.**
- ✓ **A successful process should include procedures to weed out unqualified people and assure that good candidates are considered.**
- ✓ **Most selection is done by the 1<sup>st</sup> line manager in conjunction with 2<sup>nd</sup> line manager.**
- ✓ **In larger corporations, the personal selling function is often used as a training ground for higher level marketing and management functions.**

# Training

Salespeople need knowledge about the:

1. Firm
2. Product
3. Customer(s) & organizational buying behavior
4. Competition
5. Market & industry information
6. Effective interpersonal communication skills

# **Sales Training Skills:**

## **Effective Interpersonal Communication Skills**

- Includes:
  - A. Communication skills
  - B. Listening skills
  - C. Influencing skills
  - D. Complaint handling skills
  - E. Cultural diversity skills
- Many companies have found that as training increases, productivity increases and turnover decreases.



# Supervision

- ✓ **Supervision's functions include:**
  - **continued training**
  - **counseling**
  - **assistance**
  - **time management verification**
  - **setting financial & activity quotas, etc.**
- ✓ **Supervision also integrates sales activities with upper management.**

# Motivation

- Orville Walker Jr., Gilbert Churchill Jr., and Neil Ford define motivation as:

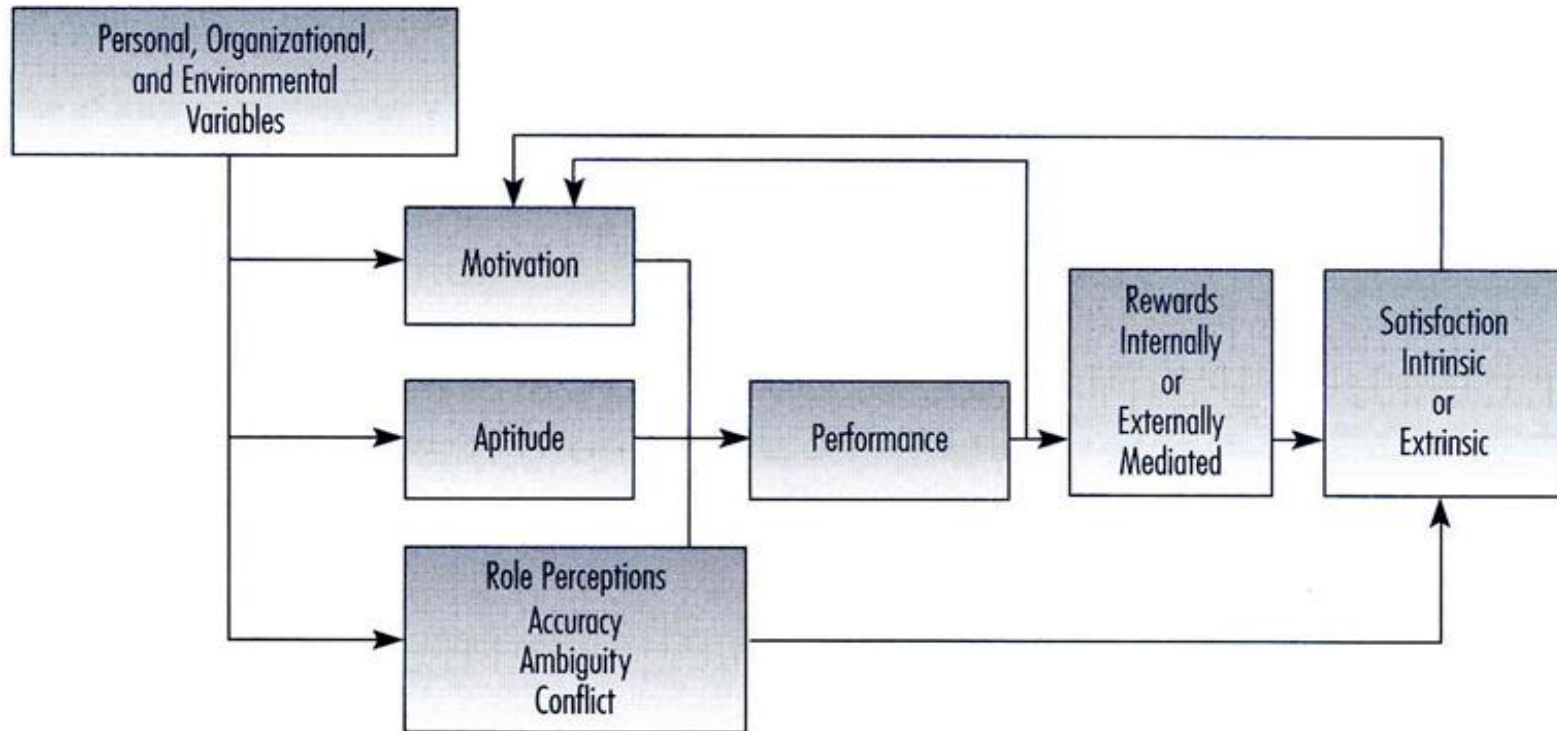
The amount of effort the salesperson “desires to expend on each of the activities or tasks associated with his (her) job such as:

1. calling on potential new accounts,
2. planning sales presentations, and
3. filling out reports.”

# Motivating Rewards

- Motivation is strongly related to:
  - A. Individual's perception of the types and amounts of rewards from various degrees of job performance.
  - B. The value the salesperson places on those rewards.

# Determinants of Salespeople's Performances



SOURCE: Orville C. Walker Jr., Gilbert A. Churchill Jr., and Neil M. Ford, "Motivation and Performance in Industrial Selling: Present Knowledge and Needed Research," *Journal of Marketing Research* 14 (May 1977): p. 158. Reprinted by permission of the American Marketing Association.

Fig. 14.2



## **The 7 Stages of The Sales Process**

# Prospecting

### *Fishing in the right pond*

Who's your target market? – who's going to buy our financial or securities services?

Who's your ideal customer in that market? – customer demographic

Where can you find them? – networking, LinkedIn, directories (Dhaka Club, etc.)

Collect their details – list building

Keep in touch – CRM system, newsletter,

Turning leads into appointments – what's your process, what's your conversion rate?

# Preparation



*You can't be too well prepared*

Who are you going to see? Apply DISC Type

What do you know about them – position in company, length of service, hobbies, interests?

What's your goal for the meeting – speak to a decision maker, establish interest, make a sale?

How will you present yourself – first impressions count, dress smart or casual, never flashy?

# Rapport

## Building Rapport

Apply DISC Types and also these general guidelines:

Smile :0) – rapport doesn't happen with grumpy people

Show a GENUINE interest in them – ask questions, hobbies, interests

Encourage them to talk about themselves and listen (Listen = Silent)

Use their name where possible

Talk about their interests not yours

Make them feel important “Sincerely”

# Qualification

*The better you qualify prospects the more sales you'll make*

Ask questions don't make statements

Prepare questions beforehand

Ask big questions – so what's your biggest challenge at the moment, what are your goals for.....?

Evoke emotion – how proud will you feel when.... people make decisions on emotion not logic

Ask what failing to achieve what they want will feel like – create negative emotion

Show how your product or service prevents them from failing – is the solution they need

# Presentation

## The sales presentation

Have a start, middle and end to your presentation

1 Start – cover why you're there and set an agenda for the presentation

2 Middle – give brief history, establish credibility, product overview or specific product for them

3 End – simply summarise what you've said and close

Process is – 1 tell them what your going to tell them, 2 tell them, 3 tell them what you've told them

# Closing



## Asking for the business

If you don't ask, you don't get

If you don't ask the answers always no

5 ways to close

Assumptive close – assumes you have the business so you skip the asking stage

Conditional close – if I can do XXX for you, will you do XXX for me (Purchase)

Alternative close – give a choice of answers but both get the sale e.g. red one or blue one

Summary – summarising gets lots of small yeses, makes it easier to get the big yes

Sandwich – where the price is sandwiched in between two lots of product or service value

# **7 Qualities of Top Sales People**

**We usually think of SELLING**

**PRODUCTS**

**SERVICES**

**OR**

**BOTH**

**But what about..**

***Selling***

***Yourself ?***

# Who would you hire?

**Ridhwan** has a 4.0 g.p.a. Also, he is a “slug”.

He is slovenly—conceited—surly--doesn't bathe too frequently—has no friends---yet his grades are tops.

**Ridhwan** has a 3.0 g.p.a. He is personable—well liked—outgoing—a good listener—enjoys working with others—and he bathes frequently.

# **Why are some salespeople so successful?**

- 1. They sell the product people want.**
- 1. They convince people they want the product they have to sell.**