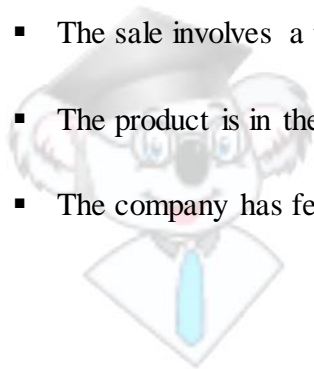


Introduction to Personal Selling

Personal selling involves oral conversations, either by telephone or face-to-face, between salespersons and prospective customers. Personal selling carries the major chunk of the promotional load when:

- The market is concentrated geographically.
- The product's unit value is high, technical in nature, or requires a demonstration.
- The product must fit the need of an individual customer.
- The sale involves a trade-in.
- The product is in the introductory stage.
- The company has fewer amounts of funds for an advertising campaign.



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Contribution of personal selling

- Salespeople generate revenue
- Salespeople provide market research and customer feedback
- Salespeople provide solutions to problems
- Salespeople provide expertise and serve as information resources
- Salespeople serve as advocates for the customer when dealing with the selling organisation

Setting personal selling objectives

Marketing management in consultation with sales management determines the exact role of personnel selling in the promotional program. Usually the marketing planning group sets personal selling objectives, determines sales related marketing policies, formulates personal selling strategies and finalises the sales budget.

Types of personal selling objectives:

Selling objectives broadly classified into two categories they are qualitative objectives and quantitative objectives.

Qualitative objectives:

The basic considerations in setting qualitative personal-selling objectives are decisions on sales policies and personal-selling strategies and their role in the total promotional programme. After this role is defined, qualitative long-term personal-selling objectives are set. In turn, the qualitative personal-selling objectives become the major determinants of the quantitative personal-selling objectives.

- a) To do the entire selling job
- b) To service existing accounts
- c) To search out and obtain new customers
- d) To secure and maintain customers co-operation in stocking and promoting the product line
- e) To keep customers informed on changes in the product line and other aspects of marketing strategy

- f) To assist customers in selling the product line
- g) To provide technical advice and assistance to customers
- h) To assist with the training and middlemen's sales personnel
- i) To provide advice and assistance to middlemen on management problems
- j) To collect and report market information of interest and use to company management.

Quantitative objectives:

The quantitative objectives assigned to personal selling are short term and are adjusted from one promotional period to another. The sales volume objective (the money or unit sales volume) that the management sets as the target for the promotional period is the key quantitative objective. All other quantitative personal-selling objectives derive from or are related to the sales volume objective. Thus, discussion here focuses upon the setting of sales volume objectives.

- a) To capture and retain a certain market share
- b) To obtain sales volume that contributes to profitability
- c) To obtain some number of new accounts of given types
- d) To keep personal selling expenses within set limits
- e) To secure targeted percentage of certain accounts business

Diversity of personal-selling situations

Considerable diversity exists among personal-selling situations, and it is helpful to distinguish between service and developmental selling. Service selling aims to obtain sales from existing customers whose habits and patterns of thought are already conducive to such sales.

Developmental selling aims to convert prospects into customers. Developmental selling, in other words, seeks to create customers out of people who do not currently view the salesperson's company favourably, and who likely are resistant to changing present sources of supply.

Different sales positions require different amounts and kinds of service and developmental selling. McMurry and Arnold classify positions on a spectrum ranging from the very simple to the highly complex. They categorise sales positions into three mutually exclusive groups each containing subgroups, a total of nine subgroups in all:

Group A (service selling)

1. Inside Order Taker “waits on” customers; for example, the sales clerk behind the neckwear counter in a men's store. These jobs are known as *technical support staff*, *sales assistants*, *telemarketers*, and *telesales professionals*.

2. Delivery Salesperson mainly engages in delivering the product; for example, persons delivering milk, bread, or fuel oil.

3. Route or Merchandising Salesperson operates as an order taker but works in the field – the soap or spice salesperson calling on retailers is typical.

4. Missionary aims only to build goodwill or to educate the actual or potential user, and is not expected to take an order; for example, the distiller's “missionary” and the pharmaceutical company's “detail” person.

5. Technical Salesperson emphasises technical knowledge; for example the engineering salesperson, who is primarily a consultant to “client” companies.

Group B (developmental selling)

6. Creative Salesperson of Tangibles: salespeople selling vacuum cleaners, automobiles, siding, and encyclopaedia.

7. Creative Salesperson of Intangibles: salespeople selling insurance, advertising services, and educational programs.

The more developmental selling required in a particular sales job and the more complex it is, the harder it is to make sales. The amount and kind of developmental selling depends upon the natures of prospects and customers, on the one hand, and the nature of products, on the other hand. The easiest sales are self-service sales: customers know their needs, know the products capable of satisfying these needs, sell themselves, and go through the checkout line. The most difficult sales require developmental selling and creativity – where sometimes the sales must be made on something other than the product’s merit, or “multiple” sales are necessary to get the order, and where continual effort is required to keep the account.

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.

When the salesperson and the prospect interact with each other, they constitute buyer-seller dyad. In this interaction, the seller seeks to motivate the prospective buyer to behave favourably toward the seller. Whether or not the buyer reacts as the seller desires depends upon the nature of the interaction.

The customer-salesperson interaction

Salesperson



Salesperson determines consumer needs
Salesperson presents information and answers consumer questions
Salesperson and consumer conclude transactions



Customer

Franklin Evans based on his research on buyer-seller dyads in the life insurance business, has concluded that the prospects who bought insurance tend to know more about salespersons and their companies, and felt more positively toward them, than the prospects who did not buy. Furthermore, the more alike salespersons and their prospects were, the greater was the likelihood that a sale would result. This was true for physical characteristics (such as age, height), other objective factors (like income, religion, education), and variables that relate to personality factors (for example political orientation, smoking habit). Evan's findings have significance for sales management. Whenever possible, sales personnel should be assigned to prospects whose characteristics are similar to their own, thus improving the chance of successful dyadic relationships. Pairing salespersons with customers of similar backgrounds is more easily accomplished in industrial selling, where there are fewer prospects about whom information is needed, than in consumer-goods selling, where the number of prospects and customers per salesperson is much larger.

Henry Tosi after studying dyads of wholesale drug salespeople and retail pharmacists who used to make buying decisions, has come into conclusion that in addition to the physical characteristics and personality and objective factors cited by Evans, the customer's perception of

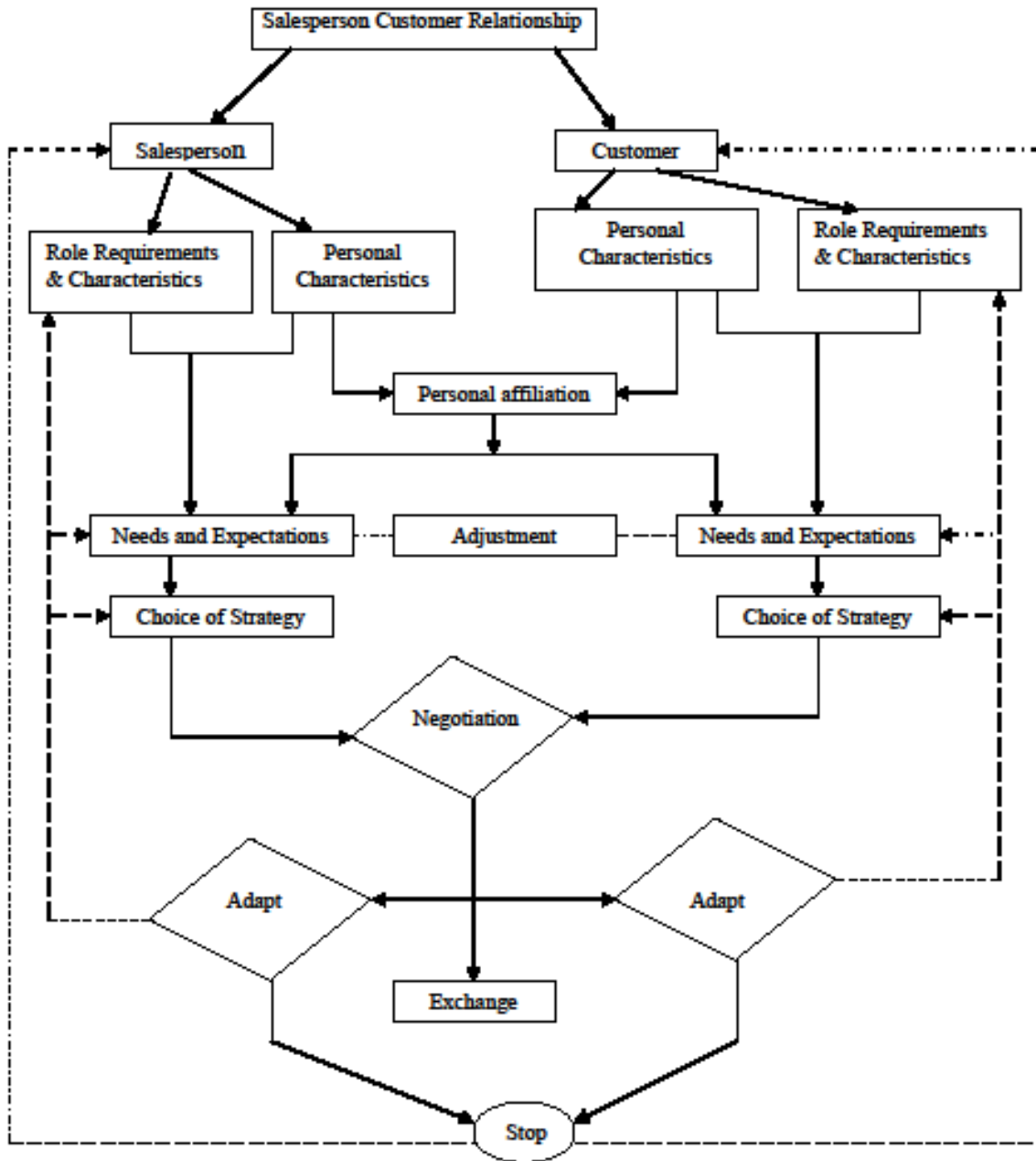
what the ideal behaviour of salespeople and the degree of conformance of salespersons' behaviour to that behaviour, should be is a necessary condition for the continuation of dyadic interaction.

Another factor influencing buyer-seller dyadic interactions is the buyer's initial conditioning with respect to selling. Most of people have common tendency to malign salespeople for their lack of product knowledge, failure to follow up, general unreliability, slavish adherence to "canned" presentations, the blatant use of flattery, bad manners, commercial dishonesty, and so forth.

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. The following figure taken from "The Personal Selling Process: A Critical Review and Model" by Rosann L Apiro, William D. Perrault Jr. and Fred D. Reynolds illustrates this dyadic interaction.



Conceptual model of ‘Salesperson–Buyer’ Dyadic Relationship



The conceptual model of “salesperson-buyer” dyadic relationships views the sales process as being influenced by both salesperson and buyer, each a focal person influenced by personal characteristics and role requirements. Personal characteristic include personality, values,

attitudes, past experiences, and the like. Role set requirements (for example, formal authority and organisational autonomy) interact with personal characteristic to shape needs and expectations. For example, with same amount of disposable money, two persons will exhibit different purchase behaviour due to difference in personal traits whereas one same person would behave differently when he is alone or with friends or parents due to difference in role-playing. Focal persons' perceptions of each other's needs may lead to adjustments of their own as can be seen from the "feedback" mechanism represented by the broken lines in the diagram. Based on individual needs and expectations, each focal person develops a strategy aimed to negotiate a favourable exchange. That strategy may embrace persuasion, ingratiation, communication of facts or offers, friendship, and other elements. If the strategies are compatible, an exchange takes place. Otherwise, the salesperson and the buyer may stop interacting, or based on feedback from the unsuccessful negotiation, either or both may adapt by altering strategy, attempting to adjust needs and expectations, or modifying role requirements. Role requirements, as well as needs and expectations, often are determined by forces beyond the focal person's control, so one or both may find it impossible to adapt. For instance, to meet a buyer's expectations, a salesperson may need to set prices, yet this may be against company policy and beyond the salesperson's control. When the particular round of negotiations is terminated regardless of its outcome, the experience becomes input into future interactions of the salesperson