Introduction to Sales Management

Sales management is a sub-system of marketing management, which translates the marketing plan into marketing performance. That is why sales management is sometimes described as the muscle behind the marketing management. Sales managers in modern organisation are required to be customer-oriented and profit-directed and perform several tasks besides setting and achieving personal-selling goals of the firm.

Sales management, as defined by American Marketing Association, is “The planning, direction and control of personal selling including recruiting, selecting, equipping assigning, routing, supervising, paying and motivating as these tasks apply to personal salesforce.”

It is important to differentiate sales management from personal selling and salesmanship. Sales management directs the personal selling efforts, which in turn is implemented largely through salesmanship. Personal selling is a broader concept than salesmanship; it is the art of successfully persuading prospects or customers to buy a goods or services from which they can derive suitable benefits, thereby increasing their total satisfaction. Salesmanship, then, is seller-initiated effort that provides prospective buyers with information and other benefits, motivating or persuading them to decide in favour of the seller's good or service.

Objectives of Sales Management

Sales executives have responsibilities to their organisation and customer and they must possess professional approach that involves detailed analysis, market efficient personal selling objectives, appropriate sales policies and personal selling strategy.

From the company’s viewpoint, there are three general objectives of Sales Management

- Obtaining sales volume

- Providing profit contribution
- Continuing business growth

On the other hand, customers (such as end users, retailers and wholesalers) expect them to supply products and services backed up by supporting activities (such as technical help, credit facility, after-sales follow-up, assuaging cognitive dissonance).

Snapshot view of the Sales Management process

The process of selling results in purchase orders for the companies, without which a commercial company could not continue to operate. It is how well this process is managed that can determine the relative success of the concern. Hence, once the company has established objectives, strategy, structure and size and of the sales force, it has to plan, implement and control the sales management process that covers a number of areas of activity like recruiting, selecting, motivating, training, supervising, remunerating and evaluating sales representatives. A snapshot view of these activities is described below and the details will be discussed later.

Recruitment

Sales force size is an important consideration here and this is deter mined by the 'coverage' the firm seeks to achieve. Coverage basically means whether the company wishes to sell its products direct to the maximum number of sales outlets (intensive distribution), or whether the product is bespoke and only a small number of outlets are covered (exclusive distribution), or whether there is some middle ground compromise (selective distribution). It is all a matter of examining the company's financial and production resources and its policy and then deciding which route to take.

The Personnel or Human Resource Management (HRM) function is responsible for recruitment, although this is done with the full collaboration and agreement of sales management. HRM will place the job advertisement in appropriate media. The job description, which is written by the sales department in conjunction with HRM, forms an important part of a potential salesperson's compendium, which is sent out to prospective applicants, and it forms the blueprint for the job that is advertised. It typically contains the following elements:

- A job title and to whom responsible
- The responsibilities and duties to be performed including frequencies of visits and after sales activities
- Product knowledge and specific sales abilities
- The customers and locations to be covered
- The degree and method of reporting sales activities to sales management

Selection

Selecting sales executives would be simple if one knows what traits to look for. Customers can give feedback what traits they prefer. Most customers prefer the traits like honesty, reliability, helpfulness and knowledge. Charles Garfield proposed another approach that looks for traits common to the most successful sales people in the company like risk taking, powerful sense of mission, problem-solving ability, taking care for the customers and careful sales call planning. Robert McMurry observed that the possessor of an effective sales personality must be a habitual "wooer" or an individual who has a compulsive need to win and hold the affection of others. He also listed five additional traits of high level of energy, abounding self-confidence, chronic hunger for money, well-established habit of industry and a state of mind that regards each objection, resistance and obstacle as a challenge. Mayer and Greenberg concluded that a successful sales executive should have empathy i.e. the ability to feel as the customer does and also the ego drive i.e. a strong personal need to make the sale.

HRM checks application forms against the job description and shortlists likely candidates for interview by sales management. Interviews can range from aptitude tests and an informal interview to ‘stress’ interviews (where the candidate is deliberately goaded into a position of stating why they are good enough to have the job). This latter method might be appropriate to some sales situations, where perseverance and never taking ‘No’ for an answer might be an asset.

References from previous employers might also form part of the selection process. The kind of information that should be elicited as general background, most of which can be gathered from the application form, includes:

- Health
- Geographical location in which the candidate is willing to work; experience of selling and product knowledge
- Domestic situation
- Intellectual ability and outside interests
- General traits deemed important to selling like interpersonal and presentation skills

Motivation

In the field jobs, frequent frustration occurs. The sales executives usually work alone away from home under stiff target pressure, their works are irregular and they confront aggressive, customers and trade channel members. They often do not have authority to do what is necessary to win an account and sometimes they lose orders despite working hard. They sometimes get preoccupied with personal problems such as sickness, debt, family problems or relationship problems. Most salespeople also operate below capacity in the absence of special incentives. This is why it is important for sales management to recognise this in terms of encouraging teamwork amongst members of the sales force.

According to Churchill, Ford and Walker, higher the salesperson’s motivation, the greater will be his or her effort. Greater effort will lead to greater performance, greater performance will lead to greater rewards, greater rewards will lead to greater satisfaction and this greater satisfaction will reinforce motivation. This model implies that sales managers must be able to convince salespeople that they can sell more by working harder or by being trained to work smarter and the extra effort is worth of better performance and higher rewards. Rewards are pay hike, promotion, personal growth, sense of accomplishment, respect, security, respect and recognition, which can be divided into 2 broad categories viz. financial and higher-order. The financial rewards are most sought by older, longer-serving people or by those who had large families to support. In contrast, the higher-order rewards like personal growth, sense of accomplishment, respect, respect and recognition are more valued by younger, more educated people who either are unmarried or have a small family.

The companies also arrange for supplementary motivators like sales conferences and sales meetings, at both national and local levels, because apart from tackling issues that concern the company and its sales force, it is also an opportunity to get together with sales management and with colleagues in similar situations. It can also be an opportunity for sales management to impart confidence and motivate the sales force through 'positive stroking'. Companies also arrange sales contests to motivate the sales force to sell above the normal expected level.

Training

Customers expect sales people to have deep product knowledge, to add ideas to improve the customer's operations and to be efficient and reliable. Hence sales training is important. But, sales training can be expensive not only in the cost of trainers, but also in terms of the fact that training time means that the salesperson is not selling. Experienced salespeople need refresher programmes and new salespeople may need more basic elements to be included in their training package.

Sales training covers the following main areas:

- To make the sales executives aware of the policies and organisation of the company
- To inform about the products and services of the company and its competitors

- To educate about the selling procedures and specific techniques and sub-elements of the sales process in order to make effective sales representation

- To make the sales representatives know and identify with the company

- To make sales representatives understand the field procedures and responsibilities

- To train the sales executives how to summarise matters of market intelligence and perhaps how to use information technology in its dissemination to the marketing information system

Training programmes can be 'in house', conducted by sales management and these could generally relate to product knowledge, competitors' products and themes such as work routines and presentation of reports. Programmes can also be conducted by external trainers, who might impart a more objective element to the training than internal trainers. Such externally provided training can include 'refresher' training for existing staff or deal with such specific matters as 'negotiation' or 'closing', which form part of the sales routine.

Remuneration

The company must determine 4 components of sales force remuneration.

- Fixed amount: This is also known as salary, which is required to satisfy the sales rep's need for income stability.

- Variable amount: This includes commissions, bonus or profit sharing. Intended to stimulate and reward greater effort.

- Expense allowances: These enable sales executives to meet the expenses involved in travel, lodging, dining and entertaining.

- Benefits: These include paid vacations, sickness or accident benefits, pensions, life insurance, intended to provide security and job satisfaction

Fixed compensation receives more emphasis in jobs with a high ratio of non-selling to selling duties and in jobs where the selling task is technically complex and involves teamwork. Variable compensation receives more emphasis in jobs where sales are cyclical or depend on individual initiative. Traditionally this is linked to the volume or value a salesperson sells. Nowadays this is less simple. 'Team selling' is one of the tactics of relationship marketing and a permanent team is linked to one or more of the company's long-term important customers. This group can include not only members of the sales force, but personnel from finance, production, design, etc. It becomes difficult to measure individual inputs to the overall process of customer care that is accorded to such important clients, so there is now a tendency to operate on a shared commission or bonus basis when such a team services these kinds of accounts.

Fixed and variable compensation give rise to 3 basic types of compensation plans

1. 'Salary Only' or Straight Salary:

This provides sales executives with a secure income, make them more willing to perform non-selling activities and give them less incentive to overstock customers. From company's perspective, they provide administrative simplicity and lower turnover. This is suitable in relationship marketing situations where customer retention is important and much of the sales person's work might relate to customer care. This system of payment means more security and sales personnel in this type of situation usually stay in post longer than other categories. Incentives can be introduced through the application of individual or group bonus systems that are linked to the success of the company.

2. 'Commission Only' or Straight Commission:

This attracts higher sales performers, provide more motivation, require less supervision and control selling costs. This structure should be applied where the sole incentive is to sell. This has the disadvantage of sales personnel only wishing to perform duties that directly relate to individual sales. Where variable commissions apply a similar problem arises in that they will tend to ‘push’ those products that offer the greatest commission potential. It is very much sales orientated formula and this reflects the negative side of selling. Such personnel will be unwilling to spend time on training and essential sales administrative duties. If customer care forms part of company policy then this type of remuneration structure can negate its successful application. However, from a purely commercial standpoint it is efficient because it is a variable cost that only increases as sales increase. However, the contradictory view is that it tends to be applied in financially precarious organisations.

3. ‘Salary Plus Commission’ or ‘Combination Plan’:

This attempts to combine the advantages of each system. Here, remuneration is not totally dependent upon commission. It is attractive to resourceful salespeople who may want to consolidate security with better earnings through improved personal endeavour. In many organisations this system involves what is termed as ‘escalator’ whereby commission increases at predetermined sales levels. The ‘sales quota’ or ‘sales target’ system is very popular and it operates on the basis that commission is only earned after an agreed target or quota has been reached during a specific period. This period is usually relatively short in order to 'reincentivise' salespeople who might not have done so well during a particular period and are ready to put in extra endeavour when the new period commences. The quota or target is mutually agreed beforehand with the sales manager. The sales that are agreed and which must be achieved are sometimes termed the sales budget. This does not refer to a budgeted expenditure level, but it is in fact the sales target or quota by a different name.

Supervision

Because of its individualistic nature and its geographically dispersed nature, selling is an area where there is little close supervision, except in very large companies which might have a regional management and an area management sales structure. However, in smaller companies the rule is normally to have a single representative covering a relatively large area and then reporting to sales management at the head office.

Supervising sales representatives involves norms for customer calls, norms for prospect calls and using sales time efficiently. The tool of *Time and Duty Analysis* helps sales executives to spend time in the following ways:

- Preparation: This helps to get information and plan call strategy
- Travel: Proper travel and tour planning helps to reduce the time of travelling and also reduces the need for extra travel.
- Food and breaks: In order to maintain good health and conserve the energy for long duty hours, the sales executives should utilise their time effectively for taking food and enjoying a break from the tiring work.
- Waiting: The sales executives have to spend a considerable amount of their time in the client's office, which is dead time unless the sales executive uses it to plan or to fill their sales reports.
- Selling: This is the time when a sales person actually sells their products.
- Administration: The salespeople have to spend time in report writing and billing, attending sales meetings and talking to others in the company about production, delivery, billing, sales performance and other matters.

Supervision is a matter of how the sales task is organised, company culture and the nature of the good or service being marketed. When remuneration is closely linked to sales effort supervision will perhaps be less important because salespeople will tend to strive to attain maximum financial benefit. However, the problem here is that a policy might well lead to sales orientation, in that salespeople will tend to go for sales volume at the expense of customer care. As has already been mentioned, customer retention rather than winning new customers is important in modern day selling, so servicing the account, even when there may be no sales to be made, is important for long-term relationships.

Although quantitative performance measures might be best at providing supervision, qualitative measures can also be applied. Sales presentations can be assessed by the field sales manager by accompanying the salesperson on a number of visits. The field sales manager should be able to receive indications from customers as to whether or not they are receiving a satisfactory service. Quantitative measures need not only relate to the volume of sales, but they can also include such matters as the amount of orders attained, new accounts opened, service calls made and market intelligence collected.

Evaluation

By measuring actual performance against sales objectives deviations, the sales performance can be evaluated and necessary action can be taken subsequently. Both qualitative and quantitative performance measures should be examined and it is against these that sales performance can be evaluated.

The management obtains information about the sales executives in various ways of which the most important source is ***Sales Reports***. This report can be divided between activity plans and write-ups of activity results. One of the activity plans includes salesperson's work plan, which sales executives submit in advance. This plan describes how they intend to make calls, for which they have to plan and schedule their activities, inform management of their whereabouts and provide a basis for comparing their plans and accomplishments. Sales reps can be evaluated on their ability to plan their work and work their plan. In many companies, the sales executives have to prepare the annual territory plan, where they have to provide how they wish to generate the business growth. In case of write-ups of activity results, sales people generally prepare call reports, which include expense reports, new business reports, lost business reports, report on local business and economic conditions.

Sales managers can extract key indicators of sales performance:

- Average no. of sales calls per salesperson per day
- Average sales call time per contact

- Average revenue per sales call
- Average cost per sales call
- Entertainment cost per sales call
- % of orders per hundred sales call
- Number of new customers per period
- Number of lost customers per period
- Sales force cost as % of total sales

In addition to sales reports, the sales managers also apply the following methods to evaluate the sales executives.

- Personal observation
- Customer feedbacks
- Customer surveys
- Conversation with other sales reps

The sales managers also apply formal evaluation, where the sales force's reports along with other observations supply the raw materials for evaluation by comparing current performance to past performance.

Evolution of selling

The five stages in the evolution of selling are as follows:

1. **Provider:** This is the first stage in the development of selling. In this stage, the salesman collects the orders from the buyers and then makes delivery of the product to the customers. He does not make any effort to figure out the customer's needs nor does he make a sales presentation for the customer's interest. He only acts as a provider.

2. **Persuader:** In this stage, the salesman convinces the customers to buy his products and not the competitor's products. The salesman's success depends on his ability to influence the customers.

3. **Prospector:** Here, the salesman prospects for those customers who will contribute to a large number of the company's products. He looks at the needs of the customer and sees how it can be satisfied by the existing product.

4. **Problem-solver:** In this stage, the salesman identifies what is the exact problem that the customer wants a solution for. He then identifies the product that suits the customer the best and sells it to him. Here the salesman performs the role of a consultative seller.

5. **Procreator:** This is the most advanced stage of selling. Here the salesman not only defines the customer's problem and the possible solution but is involved in creating a unique offer that would match the needs of the customer. He can reduce the price, credit period, delivery and other variables of the marketing mix.

Errands involved in sales management

Following are the important errands involved in the successful management of the sales in the organisations:

a) Setting personal selling objectives

b) Formulating sales policies

c) Structuring the sales force

d) Deciding the size of the sales force

e) Designing sales territories

f) Developing the sales forecasts and sales budgets

g) Fixing sales quotas/ targets for individual sales territories/salesman

h) Creating the sales force

j) Managing the marketing channels

k) Ensuring growth and developing new accounts

I) Sales communication and reporting

m) Sales coordination and sales controlling including sales expense control

n) Building the sales organisation

o) Co-ordination with marketing management in the areas like, product mix, pricing, distribution, advertising and sales promotion

p) Creating and maintaining right image for the company and its products in the market.

Sales managers are responsible for organising the sales effort, both within and outside their companies. Within the company the sales manager builds formal and informal organisational structures that ensure effective communication not only inside the sales department, but also in its relations with other organisational units. Outside the company, sales manager serves as a key contact with customers and other external publics and is responsible for building and maintaining an effective distribution network. Sales managers have still other responsibilities. They are responsible for participating in preparation of information critical to the making of key marketing decisions, such as those on budgeting quotas and territories. Sales management helps to respond proactively and effectively to customers, the key to winning business and processing orders during the pre-sales, order management and post shipment phases.

Sales executives, of course do not carry the full burden in the effort to reach these objectives, but they make major contributions. Top management has the final responsibility, because it is accountable for the success a failure of entire enterprise. Top management delegates to marketing management, which then delegates to sales management. Objectives are broken down as definite goals that company has chance of achieving. Before goal setting, sales executives provide estimate on market and Sales potentials, the capabilities of sales force and middlemen. Once goals are finalised it is the Sales Executives who guide and lead Sales Personnel and middlemen who play critical role in implementing selling plans.

The process of transforming top management's goals into concrete sales typically breaks down for one or more of the following reasons:

- Lack of top management clarity about objectives
- Difficulty translating objectives into an operational business plan
- Vagueness communicating objectives and business plan to the sales force
- Failure to align compensation with the objectives
- Problematic individual sales plans and managerial coaching

Each of these can be remedied through a five-step process.

1) Understand profitability

Sometimes senior managers themselves do not have a clear understanding of the company's key profitability drivers. This makes it impossible for them to communicate to the sales force about the clear, implementable objectives and systematic procedures to accomplish them.

The core responsibilities of senior management are to set strategy and objectives, secure resources, and maximise profitability. It is imperative that top managers have a deep enough knowledge of profitability management to be able to communicate that wisdom to the sales force. It is futile to simply instruct the sales force to produce the most profitable results.

2) Translate into business objectives

All companies have business plans, but often these plans, which feature mainly company and market analysis, sets of programmes, and numbers, are not adequate to guide a sales force. This is so because the salespeople are more bothered in core issues like who to call on and what each call needs to accomplish. The salespeople’s jobs are limited in increasing sales, up-selling, cross-selling, obtaining a new customer, minimising discounts and returns, etc. Effective business plans must give guidance to the sales force about which objectives they should pursue in given situations in order to produce the highest payoffs, as they cannot maximise everything simultaneously.

Effective business plans have three essential roles

- Stating clearly the company's objectives
- Specifying new initiatives, required resources, and expected results
- Guiding the day-to-day activities of the company toward maximum profitability.

In most companies, the first objective is usually met, the second is sometimes met, and the third is often neglected. When this occurs, it causes the sales force to become disconnected from profitability.

3) Communicate the business objectives:

In some companies, business objectives and plans are simply not communicated to the sales force. They are created by department heads or staff, and shared only with upper- and middle-level managers. Sometimes business plans are considered confidential. This causes the sales force to be disconnected.

There is a parable about three bricklayers who are asked what they are doing: the first replies, "laying bricks," the second replies, "building a wall," and the third replies, "building a cathedral." In the absence of an understanding of business objectives that guide profitability maximisation, the sales force is simply laying bricks. They never see the cathedral, and the company loses the inspired performance.

In effective companies, the top managers communicate the company's objectives to the sales force. If the objectives have changed, they explain the decision and why the new objectives are good for the company, the customers, and the sales force. They do not hand off to the head of sales the responsibility for this vital communication.

This direct communication creates two important benefits.

- First, because most top managers have a deeper understanding of the factors that create profitability across the company, they are able to communicate the nuances of how to maximise the company's profitability in the everyday decision-making that is the heart of the sales process, and they can communicate why this is important to the sales force and the company.

- Second, the mere fact that the top managers personally communicate the objectives to the sales force strongly underlines their commitment to accomplishing these goals. By demonstrating that they have taken the time to understand and explain how to maximise profitability, these top managers display the "body language" that motivates the sales force.

4) Translate into a compensation plan:

In some companies, objectives are changed each year, or more frequently, with little or no change in the compensation plan. Conversely, if a person does not understand how to accomplish the vision, it is of no use to tie compensation to the realisation of business objectives. The difficulty with tailoring an effective sales compensation plan is that it requires a set of well-thought-out business objectives that are specific enough to guide the sales force every day. The sales force should be driven by the compensation plan. Simply telling the sales reps to maximise profitability without giving them an understanding of how to do this, and compensating them for doing this, will render the compensation plan largely ineffective.

5) Create individual sales plans:

In many companies, sales plans for individual sales reps do not exist or are too vague. But an effective individual sales plan must be specified at the account/product level, so that the sales manager can track progress and continuously improve the salespersons' performance.

The building blocks for a tightly connected sales force are three-fold:

1) Clear business plans, which include guidance on what to do to maximise profitability in particular types of situations, and which reflect top management clarity and commitment

2) Compensation that has been tailored to direct the sales reps to meet the company's objectives

3) Well-specified account plans that will enable the reps to fulfill the business objectives and allow the sales managers to monitor and coach the reps' progress. These plans must be developed by the individual sales reps, and include step-by-step, account-specific initiatives to obtain new accounts, to increase penetration in existing accounts, and to increase account profitability.

Every aspect of the account plans should be measurable. They should provide specific answers to the following questions:

- Where will I get sales?

- How will I get sales?
- How will I meet my objectives and the company's objectives?
- How will I make money?

Well-specified account plans provide the basis for management coaching. They also protect the company against losing sales in the event of rep turnover.

In order to understand the power of effective account plans, let us assume a company, top management of which looked carefully at its profitability and sales force productivity. It determined that the highest payoff sales objective was to "turn around" high potential clustered in areas that minimised sales expenditures. However, the reps were focused on increasing revenues in a vague way, and consequently spent inordinate amounts of time with "easy" or "friendly" accounts, many of which were only marginally profitable to serve. In order to increase sales force productivity, top management devised a clear set of business plans to guide the salespeople in account selection and managing their time. They helped the sales managers to work with the reps to identify the highest-potential under-performing accounts in each territory, and to create step-by-step account plans to map the buying centre and systematically position the company for the sale. Management understood that turning around an account could be a long process, and set up interim targets to monitor progress with compensation tied to achieving specific milestones. Sales managers must coach the salespeople for each account for specific target. The initiative so taken must be extremely effective, as the top management had succeeded in reconnecting the sales force to profitability.

When sales managers want to reconnect their sales management to profitability, they must understand that a salesperson is most productive when s/he is focused on accomplishing the few things that really matter in each sales call. It is management's responsibility to identify those few things and tie compensation specifically to their accomplishment. It was successfully used by American Army.

Real Life Case Scenario

"Top Gun" sales managers

Several years ago, the U.S. military developed "Top Gun" training programmes to increase the effectiveness of fighter pilots. These programmes were based on the finding that, although technology had improved considerably, many pilots were becoming less effective. The problem was that these pilots were having difficulty with information overload. The best pilots had learned to focus on the few things that mattered most. Once the other pilots were taught what to focus on in specific situations, their effectiveness skyrocketed.

10 Commonest Mistakes in Sales

1. Not Understanding Selling

The purpose of salespeople is to sell a service or a product. For that, there should be proper understanding of selling process. Hence, according to Hopkins, sales management should monitor on the following matters:

- Salespeople should have knowledge of their company's current style of selling so that they could analyse and improve it
- They should know who the ideal customer is, and what s/he wants
- They should know why some people buy their product and why some do not
- They must gain knowledge of the service provided along with the product offerings
- They should understand the customers' needs for successful sales pitch
- They should understand that selling is not just being pushy and aggressive and companies must train their employees to be "professional salespeople or persuaders are low-key, service-oriented, and relationship-builders"

2. Expecting things to improve automatically

If someone is unskilled and incompetent in sales, one cannot expect that s/he will improve on his or her own, for simple truth that sales skills are not the gift of birth. It is something that can be mastered with study and work. Watching people from personal experience will help you identify what makes people good and bad persuaders. Training salespeople is very important to having the difference between competent and incompetent sales people. For most salespeople sales do not come naturally. Even though they may be naturally comfortable talking with others, the actual skill of persuading must be learned just as the ins and outs of the good or service must be learned in order to succeed.

3. Talking too much and not listening enough

A salesperson should not just talk; they also should listen. A salesperson should think of himself or herself as a detective. One must ask the right questions, take good notes, and "intently" listen to what the customer says as well as their body language. It is not about the talking, it is about asking the right questions that "lead down the path" and toward a sale.

4. Using words that kill sales

One tries to "paint a picture" with words when making a presentation in sales. "A few wrong word pictures can ruin the entire portrait" one is "trying to paint." Sales people can use specific words that create negative thoughts in customers' minds, which could mean the difference between a successful sale and an unsuccessful sale. They must avoid using negative words. One can rephrase negative words into positive words.

5. Not knowing when to close the sale

Customers who leave a place of business without purchasing something are lost sales. A sales person must look for “buying signs.” These “signs” might be when they say, “will” instead of “might.” For example, “Is it in stock?” or “Is there delivery?, are other signs that a customer is going to say yes to a sale. One uses these signs to help understand when to close a sale. Knowing “when to close” is an important element in sales.

6. Not knowing how to close the sale

Salespeople must ask questions, which move the prospect into a position of having to make an ownership decision. An example would be: “If I have the red one, do you want to take it with you today, or shall I ship it?”

7. Lack of sincerity

Salespeople must be sincere should not let greed get in the way. Salespeople must make sure that they are selling to benefit the customer and not themselves. A salesperson needs to be selling a product that they believe in and believe that it is good. If one does not believe in one’s product, a customer will “recognise” the insincerity and want nothing to do with the salesperson and the product.

8. Not paying enough attention to details

Salespeople not being prepared and not paying attention to details would invariably lose sales. The negligence like not paying enough attention to a sales letter to rectify any grammatical errors or not being prepared for a presentation or not knowing the product and customer profile can result in a decline in sales.

9. Acting slump

Salespeople sometimes become a bear in slump and it takes a lot to get out of it. Hence they must try to be consistent with sales, in order to do so be a bull all of the time.

10. Not keeping in touch

People do business with people who give them attention. All it takes is a couple of phone calls to keep customers. Call customers every so often to see how the product is doing, and if there is room for improvement. It shows that a company cares about the customer by keeping in touch.

Lack of training is a large contributing factor of poor communication in sales; it is hazardous to a company's "health." Poor communication can result in a bad relationship between mangers and sales people; manufactures and sales people; or salespeople and customers. In the end it means a lack of sales and profit, which will lead to the inevitable, demise of a company.