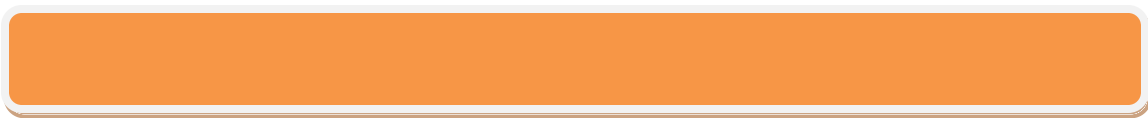


SALESMANSHIP

CLASS XI



Study Material

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➤ **Unit 2 – Essentials of Sales**

➤ **Unit 3 – Preliminary Stages of Personal Selling Process**

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UNIT I SALESMANSHIP

Class- XI

Unit Code	UNIT TITLE: Salesmanship			
Location:	Duration: Marks: 12			
Class Room	Learning Outcome	Knowledge Evaluation	Performance Evaluation	Teaching & Training Method
	Session 1: Introduction to Personal Selling			
	1. Describe the meaning and importance of personal selling	1. Define and understand the meaning of personal selling 2. Understand the nature of personal selling in the current scenario 3. Identify the importance of personal selling.	1. Identify a company having different product lines. Identify mass communication and personal communication adopted. 2. Specify scope of personal selling	Interactive Lecture: Discussing the concept of personal selling Activity: Take a company of your choice and understand its complete communication mix and analyse effect of mass communication and personal communication (personal selling) activities adopted.
	Session 2: Approaches to Personal Selling			
	1. Comprehend the functions and	1. Describe the various functions	1. Identify set of retailers that	Interactive Lecture:

	approaches to selling	of sales 2. Classify the approaches to personal selling	sell just products and another set of retailers that sell services 2. Identify the approach for selling products and services	Discussing the concept of marketing Activity: Enlist and visit 5 retailers in your vicinity that sell products only and another 5 that sell services only. Identify the approach applicable in each case.
	Session 3: Salesmanship			
	1. Introduction to Salesmanship	1. Comprehend the meaning of salesmanship 2. Understand the importance and utility of salesmanship 3. Identify the role of selling function	1. Identify amongst the sales persons mentioned which type of salespersons have you interacted and in which business setting	1. Interactive Lecture: Discussing the concept of salesmanship 2. Identify which type of salespersons have you interacted and in which business settings
	Session 4: Qualities of a Salesperson			

	1. Qualities of effective Salesperson	1. List the qualities of effective salesperson 2. Describe the essential qualities of effective salesperson	1. Identify different qualities of sales person	Interactive Lecture: Discussing the qualities of sales person Activity: Enlist the qualities of salesperson that have helped you in making a purchase decision
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UNIT TITLE: Introduction of Selling

Learning Objectives

After reading this unit, students will be able to:

- Describe the meaning and Nature of Personal selling
- Understand the need and importance of Personal selling
- Comprehend the functions and approaches to selling
- Approaches of Selling
- Introduction to Salesmanship
- Characteristics and Qualities of effective Salesperson

INTRODUCTION

Change is law of nature and business environment in which organisations are existing today keeps on changing. Every business as a part of turbulent business environment not only has to

keep profit motive in mind but also has to reduce the cost of doing business. The cost of doing business reduces if effective selling efforts are put across by salesmen through salesmanship along with good product. A transition from production to service driven organization can only take place by making people driven organization. What is desired today is an organization of people (employees) and driven by people (customers).

For Example: Think of a shop opened in a neighborhood, the window display was so attractive that pulled you inside the shop, the products were also arranged in proper order. But there was nobody to sell and guide you. When there was nobody to handle a customer like you? How would you feel? Obviously the impression that you carried from the window display and attractive display of products couldn't get converted to sales in absence of a sales person.

For Example: Think of another situation where you are travelling and felt like eating something; saw a bright logo in red and yellow from a distance, you stopped for eating out there. The moment you reached the food outlet you found it was deserted; there was nobody to greet you at the entrance. But you ignored and moved inside but after going inside too there was nobody. What came to your mind? The impression you carried and decision you made to go to the restaurant all tend to change as there was nobody to serve you and even no customer. How good the ambience might be but product/ service would only be sold if there is somebody to serve.

These situations illustrate that a product and ambience can't sell all by itself. Thus the focus of business must be towards customers and people to serve them and not merely products. If a firm wants to earn desired profit, it has to make desired sales and missing on every sales opportunity has a cost involved in it. As companies adopt marketing orientation, the role of sales person and salesmanship becomes more important. For a market oriented firm the focus should be to be customer centric and establish its organization structure around customers, gone are the days when being product focused above used to give business a success. Selling is an art and a business can only succeed if it does it well.

Nowadays a business focusing on mere selling products and earning profits is ought to be following marketing myopia (shortsightedness strategy). Any business that is merely concentrating on products and profits can never be a long sighted strategy follower as these days if your business believes "customer is king," the next most important person in the kingdom must be the one who interacts with the king (customer) and understands requirement of customer. Obviously that person is none other than the salesman. The sales men job doesn't end by just understanding the need of customer, satisfying the need but

building a long term relationship is desired by lot of customers. Thus personal selling involves a professional sales person who is a good listener and is oriented in building a long term relationship with the customer. **Personal Selling** is a personal communication, through the exercise of salesmanship, with the prospective customers where engaging customer is essential. The cartoon Figure 1.1 represents the concept of engaging the client in humorous form.

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Figure 1.1: Engagement in Personal Selling

Session 1: Meaning and Definition of Personal Selling

Personal selling refers to the use of speech and personal conviction to bring about some action on the part of another. Salesperson is a man who actually performs the personal selling.

Personal selling is a means of implementing marketing programmes. It is concerned with 'persuasive communication'. A salesperson in personal selling tries to persuade the prospect so that he can take a decision to buy a product. It is a major factor in creating sales volume. It is a direct presentation of a product to a prospective customer by a salesman. It takes place face to face or over the telephone. It may be directed to a middleman or a final consumer.

A few definitions of personal selling are quoted below:

According to William Stanton and Walker, "Personal selling is the personal communication of information to persuade somebody to buy something."

In the words of Philip Kotler, "Personal selling is a face-to-face interaction with one or more prospective purchasers for the purpose of making presentations answering questions, and procuring orders."

In the words of Robinson and Stidsen, "Personal selling may be defined as interpersonal face-to-face interaction for the purpose of creating, exploiting or maintaining a mutually beneficial exchange relationship with others."

According to Mahoney and Slone, "Personal selling is the personal communication between a salesperson and a potential customer or group of customers."

In the words of Richard Buskirk, "Personal selling consists of contacting prospective buyers of product personally."

Marketing programmes are designed around four elements of the marketing mix: (a) products to be sold, (b) pricing, (c) promotion, (d) place. While promotion component includes advertising, public relations, personal selling, and sales promotion there is relationship between personal selling and other elements of marketing mix. A right product with right price & right place needs personal selling efforts to sell. It should be noted that advertising and sales promotion are impersonal communications, whereas salespeople (in personal selling) talk directly to customers.

.Thus, personal selling involves two-way communication with prospects that allows the sales message to be adapted to the special needs of the customer. Personal selling when combined with other element of promotion mix can give excellent results. Personal selling is an extremely effective but expensive form of promotion. In the promotion mix of an organization, personal selling plays a dominant role. As sales is the life line of a business.

The ultimate object of all produced in factory is achieved through sale; and without sales, no business would survive. An important element of the marketing mix of a business firm is promotion. The function of promotion is concerned with the establishment of contact and communication with the object of creating 'customers'. But personal selling further enhances that to relationship building with customer.

Activity 1

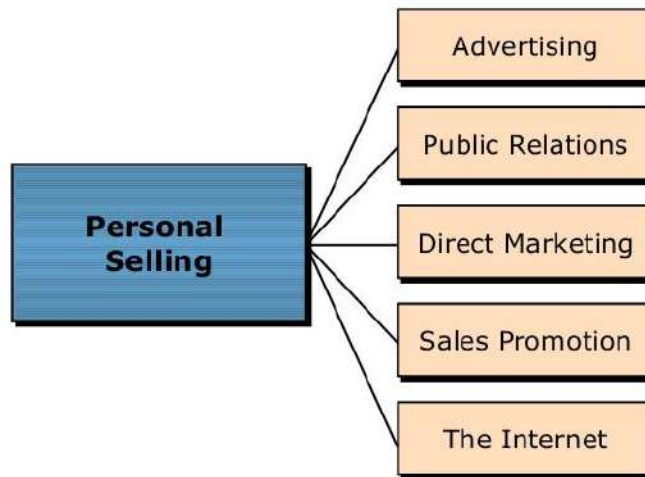
Identify a product you are in need of. Identify the brand you want to purchase. Go to the retail outlet of the brand and tell your need to the salesman see how he interacts with you and do you have more information or does he? Find out if he can change your decision of buying the brand. State the reasons if changes made in decision making.

Nature of Personal Selling

Let's look at some aspects of personal selling to understand its nature:

- 1. Part of Promotional Mix:** Every marketing oriented company has a marketing plan. -Personal selling is a part of the promotion mix of the company's marketing program. The major elements in the promotion mix of a company are advertising, sales promotion, direct marketing, public relations and personal selling efforts. Personal selling when combined with other elements of Promotion mix makes it effective tool.

9. Personal Selling Combines With Other Tools



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Figure 1.2: Combination of personal selling with promotion mix

2. **Understanding Needs:** Personal selling is purely need based and understanding needs is most important thing for initiating the sales process. Personal selling involves an interactive relationship between two or more persons. The seller observes the needs of the customer and makes immediate adjustments.
3. **Two Way Communication:** Personal selling is direct contact between seller and customer. It is the personal communication of information between the seller and customer. Salesman first makes the customer speak about his or her problem and identifies the need and offers various alternatives to meet the need, he also provides information about each. Now the ball comes in customer's court of decision making and he can choose the right product/service from the choices offered to him. It is face to face communication which is in contrast to the mass impersonal communication of advertising, sales promotion, and other promotional tools.
4. **Persuasive:** Personal selling is usually focused on prospective customers. The seller first considers It is the art of persuasion by considering the needs, desires and buying problems of the customers and then performs the art of persuasion. It is the art of winning customers confidence. A salesperson in personal selling tries to persuade the prospect so that he can take a decision to acquire the product which the salesperson is talking about.
5. **Demand Creator:** Salesman is known for persuading the customer and creating demand for a product or service. Salesmen in person talks to the customers about the product and

benefits associated with the product. He induces that immediate buying action and the demand for product is generated. He creates an urge to buy the product.

6. **Flexible Approach:** Personal selling is more flexible than other tools of promotional mix. Salespeople can tailor their presentations to fit the needs and behavior of individual customers. Salespeople can see their customer's reaction to a particular sales approach and make adjustments in different situations. Sales talks and presentation can be adjusted according to situation to suit individual nature, motives, and problems.
7. **Relationship building:** It's a misconception that selling is one time sales. Actually personal selling is not just to sell a product once rather it is establishing a relationship with the customer. It keeps customer's best interests at heart. It maintains long-run relationships. It makes the buyer feel that he is listened to, and his needs are considered.
8. **Educating Customers:** Salesman through personal selling generates sales volume, by educating the customer. He brings human element into marketing transactions and increases the customer's confidence in the company by educating them. The customer is educated about product features, quality, how to use and handle the product etc.
9. **Broader Concept:** Personal selling is a broader concept than salesmanship. According to Cundiff and Still, Personal selling, along with other marketing elements, is a means for implementing marketing programs. Salesmanship is one aspect of personal selling it is never all of it. Personal selling makes use of salesmanship techniques.
10. **Service Element:** Personal selling is not getting rid of a thing or cheating the customers for short term goal. Rather it is necessarily an act of assisting the customers to buy wisely. Today, it has become a symbol for honesty and dependability. A product is tangible component when attached to intangible component of service adds value and helps in personal selling.

Need and Importance of Personal Selling

In today's highly competitive world, personal selling has an important role to play. Few products like home appliances, cosmetics, pharmaceuticals, and publications, etc., are not possible to sell without the help of sales person. Personal selling though being expensive form of promotion helps in generating huge sales. Many companies

enjoy a strong position in market only due to effective personal selling. Salesman can personally attend each customer to convince as well to solve problems. Personal selling is not only important to sell the products, but also to create permanent customers. Salesman can renew customer relations each time. People have more faith on salesman than exaggerated advertisement. In many companies, personal selling is the largest single operating expense. It often equals 8 to 15 percent of sales, whereas advertising costs average 1 to 3 percent of sales. This shows the importance of personal selling element. Personal selling offers triple rewards. It benefits all parties, including businessman, customer, and society.

Importance to Businessmen: It is helpful to businessmen as follows:

- **Creates Demand:** With increasing competition, the companies believe in personal selling as an important tool to push the product in the market. A salesman helps in creating demand of the product by describing its functions and demonstrating the product. A good salesman not only has knowledge of its own brand but also knowledge of competitors in the market. They act as suggestion holders, create demand and generate sales.
- **Minimizes Wastage of Efforts:** As advertising is a mass promotional and communication tool, things are exaggerated through advertising on the other hand efforts may even go waste. Personal selling involves minimum wastage of efforts as compared to other tools of promotion. It is directly interacting with the prospect and saves time which leads to minimizing time and resources.
- **Role in Introduction Stage:** A salesman describes the merits of a product and persuades the customer to purchase it. Salesman helps in introducing a new product in the market. When we are suffering from a disease, whom do we tend to visit? Obviously it's the doctor. The doctor prescribes a medicine. Have you ever thought of how come the doctor comes to know about new medicines? It is through the salesmen of pharmaceutical company who approach the doctor. These salesmen are called medical representatives by personal selling explain the salt in the medicine convince the doctors to prescription of medicines.
- **It Results In Actual Sale:** Advertising and sales promotion techniques can only attract attention and arouse desire. By themselves they cannot create actual sale.

Personal selling in most cases leads to actual sale. A salesman can find prospective buyers, demonstrate the product, explain its operation, and convince customers to buy it, install it at the customer's place and provide after-sale service. No other method of promotion can perform all these functions. Therefore, personal selling does the entire job of selling. Personal Selling is a complete promotional technique of keeping customers satisfied

- **Catch Customer's Attention:** Personal selling is a tool in which the level of customer attention and interest can easily be assessed. The magic phrase of 'May I help you' does wonder and is the way to make customers speak about their needs. Thereafter, the presentation by the salesmen can be modified as per the need of the customer.
- **Clear picture of the Market:** Sales persons not only provide information to the customer about the product and the company rather personal selling is a mirror of market as it gives clear picture of the market back to the company. It supplies market information's back to the firm. It keeps eye on market nerve, fashion trends and consumer profile. It regularly assesses the competitive forces of the market.
- **Improving Image:** Salesmanship can improve image of the company by highlighting company's achievements and offers. The detailed explanation about company and its products removes all doubts and misunderstandings. It helps in restoring company image and reputation in market.
- **Increase in Profitable Sales:** The goal of marketing activities is to increase profitable sales by satisfying the want of consumers over the long run. Personal selling is by far the major promotional method used to realize this goal. The number of people employed in personal selling are much more than advertising.

Importance to Customers: It is important to customers as follow:

- **Helps in Identifying Needs:** Customer being the king, identifying their needs and and satisfying them products and services.
- **Convincing and Creating Customers:** Salespersons identify the customers who are interested in the company products. They transform prospects into buyers by understanding their needs. Personal selling provides personal touch and can lead to 'repeat purchases' to the company.

- **Detail Demonstration:** Personal selling is the only technique through which detail demonstration of product takes place, which generates sales. For Example: Think of a situation when you go out for buying fragrance, the sales person demonstrates the fragrance on a paper strip and you choose the brand. Television and internet these days also demonstrates products but touch and feel factor is missing. For technical products, demonstration method has more relevance.
- **It Educates Customers:** Salesmanship is not merely a tool of convincing and persuading people to buy. Rather a salesman not only provides information but also educates and guides the customers. He handles their complaints and assists them in getting value for their money. He has complete information about the product and can clear their doubts on the spot.
- **Salesmanship Supports Advertising:** An advertisement can attract the customer but the customer might have lots of doubts about the product that remain unanswered. There might be need for explaining the quality uses and price of the product. Salesmen can answer unanswered doubts and can make a prospective customer to buy a product. In this way personal selling supports advertising. Salesmen educates the consumers about new products and about new uses of existing products.
- **Personal Attention and Immediate Feedback:**
Advertising and publicity are among mass communication tools. They do not focus on individual needs and wants. Personal selling is the only tool of promotion mix that focuses on personal problems of customers. It is comparatively more effective and result-oriented. This is the only market promotion technique that provides an immediate feedback. This is the only technique that helps in judging the customer and actually telling whether customer intended to buy the product or service.

Importance to Society: It is also important to society as follow:

- **Assist the society:** Salesmen is one of the help to increase aggregate sales and production in the country thereby increasing employment opportunities. They help to maintain equilibrium between demand and supply.
- **Converts Latent Demand:** Personal selling helps in converting latent demand into effective demand. Latent demand is the desire for a product that a consumer is unable to satisfy because he is himself is unable to point it out. At times the customer doesn't realize what is missing until pointed out. This results in more production, and hence leads to increase in GDP of the country.

- **Employment Opportunities:** It provides opportunity of employment and ensures attractive career in sales. There are numerous positions from 10th, 12th pass to post graduates are required. There is no dearth of respect, variety, and security etc.
- **Mobility of Sales People:** Travel and tourism in the country get promoted by the mobility of the people from one place to another.
- **Product Standardization:** Personal selling ensures uniformity in consumption by selling standardized products.

KNOWLEDGE ASSESSMENT 1

Fill in the blanks with appropriate answers:

1. _____ is a personal communication, through the exercise of salesmanship, with the prospective customers.
2. Personal selling starts with understanding _____ of prospects/customers.
3. Personal selling is focused on _____
4. Personal selling is the most _____ as it builds up buyers' preference, conviction, and action at much lesser cost than mass communication.
5. Personal selling provides ' _____ to the company by building relationship with the customer.
6. Stanton writes, "Salesmen _____ prospective customers, expedite orders, coordinate deliveries, set-up displays, service their accounts, gather market information's, and have to solve customers' problems.
7. Today's salesman performs _____ of sales roles.
8. Personal selling offers triple rewards by benefiting not only customer but also _____ and _____.
9. Personal selling is the only technique that _____ the product and generates sales
10. Salesmen help to increase aggregate sales and production in the country thereby increasing _____ opportunities.

[Ans: 1. Personal Selling 2. Needs 3. Prospective Customers 4. Cost-effective tool 5. Repeat purchases 6. Persuade 7. Wide variety 8. Businessman, and society 9. Demonstrates 10. Employment]

Session 2: Approaches to Personal Selling

Marketing of products to customers, companies use different approaches, depending on the nature of product or services, resources of the organization, expertise or others. Initially there were four approaches:

1. Stimulus Response Selling Approach
2. Mental State Approach
3. Need Satisfaction Approach
4. Problem Solving Approach
5. Consultative Selling Approach

Approach 1: Stimulus Response Selling



Fig: 1.3 **Stimulus Response Selling**

Of the five approaches of selling, it is the simplest approach to selling. Salesman uses structured questions and statements, these statements act as stimuli for the customer and sales person get the desired response in their favour. Words and statements of sales person provide a stimulus if they are well planned to convert prospect to a customer. A salesperson plans in

advance the the desired conversation. He prepares structured questions whose answer is most likely to be in ; YES' leading towards the end of the sale in 'YES'. Proper sales training by the company is given. In case of telemarketing, in which one script is being memorized and then repeated on every call till the sale call is closed. The Fig.1.3, the sales person makes regular attempts to customers by providing stimuli or cues which help in influencing the buyer. Once the buyer is conditioned, the salesperson tries to secure a positive response leading to purchase decision made by buyer. This approach involves less contribution of the buyer, its one sided conversation in favor of sales person, who has the aim to sell at any cost. So it's suitable in the situations when buyer is unprofessional and has less knowledge.

Approach 2: Mental State Selling

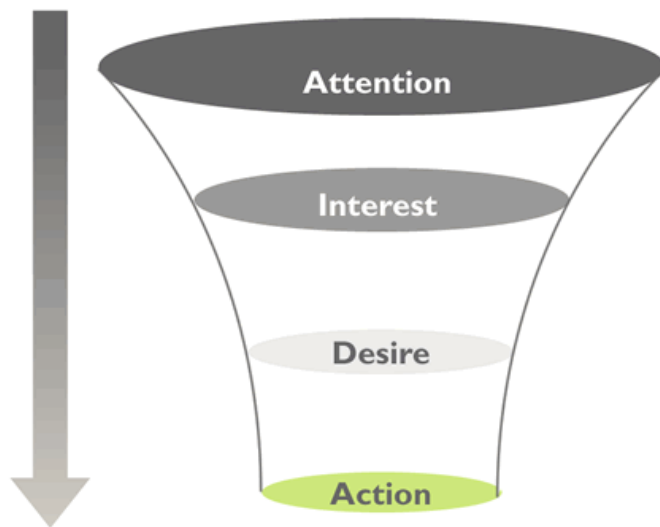


Figure 1.4: AIDA Model

Mental state selling makes an assumption that buying process for majority of buyers is identical and they go through certain mental states and these mental states i.e. Attention, interest, Desire, and Action, makes AIDA model that is formed by the first letters of Attention (A), interest(I), Desire(D), and Action(A). It is used by many organisations. It is described below:

(a) Attention: The first task in a sales presentation is to attract the prospect's attention and to create curiosity. Some creativity is required to attract attention. Salesmen may suggest the product benefits by making some startling statements for catching attention.

(b) Interest The salesman needs to hold the interest and stimulate a desire for the product. For this purpose a product demonstration can be used to create interest in product.

(c) Desire: The third state is to create desire for the product or service. The salesmen must be trained in such a way that he is already prepared with the anticipated questions that the prospect can raise. It also consists of meeting customer's objections. Handling objections is an art that the salesmen must smartly perform.

(d) Action: Desired action will generate sales. During trial close all objections of customers are handled and customer just needs to perform an action of buying to close sales. William Stanton and others write, "The toughest objections to answer are those that are unspoken. A salesperson must uncover the real objections before being able to close a sale.

For Example: Selling a water purifier is not easy and it can be sold by securing attention of customer by telling about RO water purifier and its quality to purify. The customer gains interest if the salesman engages him by showing flipcharts, presentations and brochures and also focusing on purity and health of the family members. The desire can be generated by making them use the RO water purifier for their use and a glass of water can be served (demonstrate). Further desire is generated by giving EMI option for payment and consumer makes a purchase decision due to its effectiveness in providing pure water which is germ free too.

Approach 3: Need Satisfaction Selling



Figure 1.5: Need Satisfaction Selling Model

In this approach, understanding the need of a customer is essential as a customer buys a particular product to satisfy a particular set of needs. Sales person first listens to customer and makes an initial part of conversation to uncover the needs of buyer. Here the role is to probe the customer to understand completely the set of needs of customer. When need is identified then sales person tells about his product/services and how can they benefit customers and tell

the entire features. Then sale is closed. The customers normally like this method as they are being heard.

For Example: Set top box providers like Tata Sky, Sun Direct etc. follow need satisfaction selling. They have different packages so as to meet the needs of different types of customers. They also have special packages where the customer can choose the channels he or she wants based on their interest and that particular package will be provided to the customer. This is where the need satisfaction selling comes into picture.

Approach 4: Problem Solving Selling

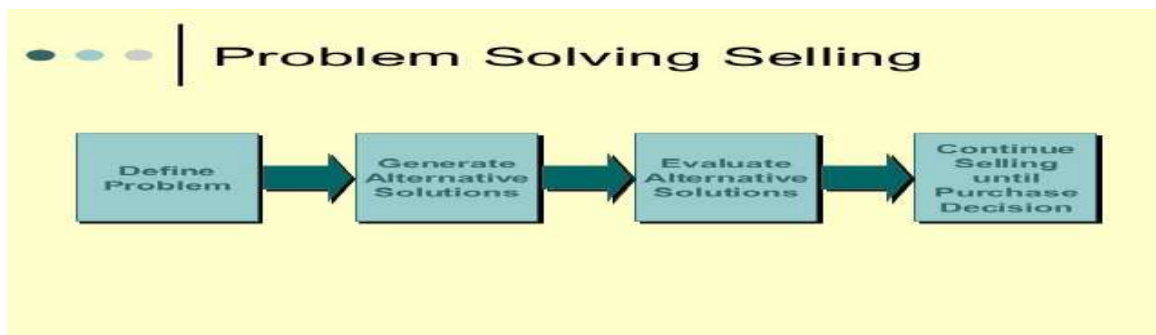


Figure 1.6: Problem Solving Selling

Problem-solving selling is an extension of need satisfaction selling. It goes beyond identifying needs to developing alternative solution for satisfying these needs. In this approach problem is already identified by the customer, the customer clearly needs to state to the salesperson. Salesperson understands the need of the customers. Then the salesperson presents all the alternatives available and that too of competitors to solve the problem. The salesperson also explains his own company's product or service, this is followed by customer evaluating amongst the alternatives carefully; making comparisons and finally making purchase decision.

For Example: Insurance is a intangible product whose benefits come in future. The role of salesperson is very important where a through interaction with customer the need of the product and its use in future can be explained.

Approach 5: Consultative Selling



Figure 1.7: Consultative Selling

In this approach both buyer and seller work in collaboration. Sales person by understanding customers' needs and works in the direction of addressing those needs. Sales person works in collaboration with customers to achieve those goals. It involves two way interaction. Sales person sincerely tries to overcome the objections of buyer and use all his resources. It may take several days for closing sales. It believes in long term relationship building by providing best of after sales services so that the customer feels satisfied and retains the brand.

KNOWLEDGE ASSESSMENT 2

1. AIDA stands for attention, _____, desire and _____.
 - a) interest; action
 - b) intensity; appeal
 - c) involvement; action
 - d) None of above
2. The role of marketing communications is to engage audiences and there are four main tasks that it can be used to complete. Which of the following is **not** part of the four main tasks?
 - a) Differentiate
 - b) Participate.
 - c) Reinforce.
 - d) Inform.
3. Which is not the part of Consultative selling?

- a) close the sales
 - b) address the customer's needs
 - c) create customer centric approach
 - d) don't maintain customer relationship
4. In need satisfaction selling approach, sales person first _____ to customer and makes an initial part of conversation to uncover the needs of customer
- a) Talks
 - b) Visits
 - c) Listens
 - d) All of above
5. Which is the approach customer clearly states its needs to salesperson. Then the salesperson presents all the alternatives available.
- a) stimulus response
 - b) mental states,
 - c) need satisfaction
 - d) problem solving
6. Mental state selling is also known as _____.
- a) AIDA model
 - b) Transition selling
 - c) Relationship selling
 - d) None of above
7. Trust based relationship selling approaches are
- a) Need satisfaction
 - b) Problem solving
 - c) Consultative selling
 - d) All of the above
8. _____ is one time selling with the purpose of generating sales with low profit potential.
- a) Transition selling
 - b) Relationship selling
 - c) Value added selling
 - d) None of above
9. Consultative selling starts by understanding needs and address the need and ends with

- a) Selling
 - b) Closing sales
 - c) Establishing relationship with customer
 - d) None of above
10. AIDA stands for
- a) Attention
 - b) Interest
 - c) Desire
 - d) Action
 - e) All of above

[Ans: 1. a, 2. b, 3. 4. c, 5. d, 6. a, 7. d, 8. a.9. c. 10. E

Session 3: Introduction to Salesmanship

“The personal selling” and “salesmanship” are often used interchangeably, but there is an important difference. Personal selling is the broader concept. Salesmanship is another important part of personal selling. Along with other key marketing elements, such as pricing, advertising, product development and research, marketing channels and physical distribution, the personal selling is a means through which marketing programmes are implemented.

Salesmanship is one of the skills used in personal selling, as defined by Stroh, “it is a direct, face-to-face, seller-to-buyer influence which can communicate the facts necessary for marketing a buying decision; or it can utilize the psychology of persuasion to encourage the formation of a buying decision”

The broad purpose of marketing is to bring a firm’s products into contact with markets and to effect profitable exchanges of products for money. The purpose of personal selling is to bring the right products into contact with the right customers, and make ownership transfer.

Salesmanship is seller-initiated effort that provides prospective buyers with information and motivates or persuades them to make favourable buying decisions concerning the seller’s

products or service. The salesman of today has to react and interact in any different ways to many different people.

Apart from the knowledge of the product, a salesperson has to be a psychologist with one prospect, a human computer with another, an adviser with another, and at the same time a friend with some buyers. Salespersons must adjust their personalities on every call. Salesmanship may be implemented not only through personal selling but through advertising. Thus, advertising has been described as “salesmanship in print.”

Salesmanship is the art of influencing or persuading people to do what sales representative wants them to do. For instance, contractors, teachers, ministers, authors, politicians, industrial engineers etc., practice the art of influencing others to do what they want them to do. Every man is a salesman in his own walks of life.

Selling Function

Buying and selling functions are two sides of the same coin; one cannot exist without the other. Thus, for every purchase made, there is a corresponding sale and vice-versa. These two marketing functions of purchase and sales have been commonly described as functions of exchange. It is more than an economic activity. Every time a product is offered for sale in the market and a service is made available by salesperson to add benefit to the product for the consumers. The product is able to fill in a need or a want; in return the seller is able to serve his own self-interest by leading more sales and more profits for him.

A seller cannot generate sales without different salesperson performing their roles at different stages of consumer buying process. Various selling functions performed are:

1. Order Takers: Sales person who mainly seek repeat sales. They book customer orders and pass on the information to relevant people in the company. They are expected to be accurate. They are also expected to have information about when the order has been booked and when will it be delivered to customers. They have to track the delivery date of product and should be able to assist customer for the same. Order takers are of two type's i.e. Inside order taker and field order taker.

a) Inside Order Taker: They are a part of sales office and receive sales order from different sources like phone, mail and internet. Sales persons in retail stores are also inside order takers.

b) Field order Taker: When a customer is not interacting in the retail store, rather the order is placed when the salesperson has met you outside or in the field and taken order is field order taker. The buyer relies and becomes dependent on field order taker to place orders periodically.

2. Order Creators: The prime objective of order creator is to convince customers to buy the company's products. The salesperson needs to understand customer's requirements and convince him that his company's products serve his requirements best.

a) Missionary Salespeople: They are employed by manufacturers to sell their product to retailers. Once the retailers are convinced they place the orders to wholesalers which ultimately lead to company's sale. In some pharmaceutical and building industry, the manufacturer hires medical representatives and architects. Medical representatives calling on doctors cannot make a direct sale since the doctor does not buy drugs but prescribes them for patients. Architects also act as specifies rather than buyers. In these situations, the selling task is to educate and build goodwill for the company.

3. Order Getters: An order getter persuades a customer to make a purchase. He is a frontline salesperson, and is in a typical selling job. He is supported by technical support staff and merchandisers.

i. New business Salespeople: The selling tasks are to win new businesses by identifying and selling to prospects. These salespersons should maintain good relations with current customers who can provide leads. They should also be prepared to make a lot of cold calls and visits.

ii. Consumer Salespeople: They sell to individual customer's products and services such as cars, insurance. These salespeople have to be sensitive to customers' time and they should not be insistent even when customers have declined to buy. Sensing that a customer does not want the product is as important as sensing that he may want the company's product. A consumer salesperson should be always wary of putting off the customers by being too persistent. Exemplary behaviour is imperative for consumer salespersons.

iii. Technical Support Salespeople: Where a product is highly technical and the negotiations are complex, a salesperson may be supported by product and financial specialists who can provide the detailed technical and financial information required by customers. This may be on-going as part of a key account team or on a temporary basis with the specialist being called into the selling situation whenever required.

iv. Merchandisers: Merchandisers advise on product display in stores, implement sales promotions, check stock levels and maintain contact with store managers. They provide support to the sales function in retail and wholesale selling. Salespeople serving individual outlets are supported by merchandisers.

KNOWLEDGE ASSESSMENT 3

State TRUE or FALSE for the following statements:

1. Threes around which selling function revolves are: self interest, satisfaction and self motivation. For indeed, it revolves around three S"s, namely: service, satisfaction, and self-interest
2. Two types of salespersons are: order takers and order getters.
3. Order takers are supposed to increase the total sales by increase in sales of new products.
4. A salesperson should gracefully back off when the customer does not seem interested in the product.
5. Order getter is a backline salesperson, and is in a typical marketing job.
6. Order getter cannot persuade customers for making a purchase.
7. A merchandiser advice on product display in stores, implement sales promotions, check stock levels and maintain contact with store managers.
8. Consumer salespeople sell to individual customer's products and services and have to be sensitive to customers' time.
9. Order takers are expected to persuade customers to buy the company's products or increase their quantity of purchase
10. Order takers are replaced by the more cost efficient telemarketing teams who call customers and book their orders.

[Ans : 1. False, 2. True, 3. True, 4. True, 5. False , 6. False, 7. True, 8. True, 9. False 10. True

Session 4: Characteristics Of A Successful Salesman

There are a few natural skills that are of great benefit if they already exist within those that want to be successful in sales. Without these, success will take a longer time but it can still be achieved. If there is no desire and dedication to learning or developing these skills, then the selling will be much more difficult and often very stressful.

- 1. Effective Communicator:** Communication covers a lot of territory. Sales is all about talking to people and making them understand your thoughts. At times sales people need to speak in the local language in order to make customers understand properly.
- 2. Ability to Listen:** A salesperson has to balance the act of talking and listening. If he does not properly listen, how would he respond back. So a salesperson has to be a good listener.
- 3. Inquisitive:** Salespeople are naturally inquisitive and know that in order to isolate what the real need or desire is in the buyer, they need to ask questions that will lead them to the answer. They naturally ask questions because they have a desire to help solve their problem.
- 4. Problem Solver:** Another natural skill is the desire and ability to solve problems. Great sales people are always solving problems. The ability to know what the buyer's problem is and offering suggestions that will effectively solve the problem with respect to what products or services we sell, and generally results in a sale.
- 5. Well Organized:** Sales people have a keen ability to break things down into smaller steps and organize a plan of action. They know how to analyze what their goal is and in what order the steps need to be in order to reach that goal.
- 6. Self-Starter and Self-Finisher:** A successful sales person moves forward on their own. They never need anyone to tell them when it is time to go to work because they know that if they do not work they will not earn. They are also very persistent to finish what they

start. They achieve their goals, even if they are small ones.

7. **Positive Self Image:** Having the attitude that they can do just about anything that they put their mind to is usually very common among sales people. They do not cower from meeting or talking to people or trying something new. They rarely allow negatives that are either spoken to them or about them to effect what they are trying to accomplish because they know who they are and what they are capable of doing.
8. **Well Mannered and Courteous:** Sales people are very well mannered. One may not realize it, but good manners are a way of showing respect to others. People are attracted to those that respect them and mutual respect is fundamental in building lasting relationships with people, including buyers.

Qualities of a Sales Person

With particular reference to Consumer Service Selling as a career there are two basic qualities of a good salesperson namely, empathy and persuasion. Some of other qualities of a good salesperson are as follows:

1. **Physical Quality:** A salesperson should have a good appearance and an impressive personality. He should also have a sound health he might be required to travel a lot.
2. **Mental Quality:** A good salesperson should possess certain mental qualities like imagination, initiative, self confidence, sharp memory; alertness, etc. He should be able to understand the need and preferences of the customer.
3. **Integrity of Character:** He should possess the qualities of honesty and integrity. He is to gain the confidence of the customer. He should be loyal to the employer as well as to the customer. As he is face-off of the company so he should hold a strong character.
4. **Knowledge of the product and the company:** He should be able to explain each and every aspect of the product i.e. its qualities, how to use it, what precautions to be taken, etc and the company he is representing.

5. **Good behavior:** A salesman should be cooperative and courteous. Good behavior enables one to win the confidence of the customers.
6. **Ability to Persuade:** A good salesperson should be good in conversation so that he can engage the person he is attending. He should be able to convince him and create the desire in mind to possess the commodity. Very few products of any type actually sell themselves. They must be sold. Salespersons must have the ability to get people to agree. There are situations when persuasiveness may vary keeping in view the consumer's response.
7. **Flexibility:** A salesperson has to be flexible in many ways. There is no fixed way of convincing the customer, a sales person has to be flexible. A good salesperson is able to adapt himself or herself to a variety of customers. Each contact may require adapting the sales talk, speech habits and even appearance. The timings need to be flexible as per the requirement of customer.
8. **Ability to estimate customer's needs and desires:** He or she is alert and quickly determines what the customer wants and the best way to sell.
9. **Ambition:** He or she likes to do a good job and is interested in getting ahead with the company.
10. **Appearance:** Appearance means a lot today and the successful salesperson is neat and organised. He or she presents himself or herself well in person. Also, he or she keeps his or her desk, books and manuals neat and ready for use.
11. **Business Sense:** He or she understands that you are in business to make a profit and quickly learns the ins - and - outs of the organisation.
12. **Courtesy:** He or she reveals a sincere desire to help customers and treats them as guests even when he or she visits their places of business.
13. **Creativeness:** Imagination, vision and the ability to create ideas make a salesperson dynamic.
14. **Curiosity:** He or she wants to learn all he or she can about his or her products and customers.
15. **Enthusiasm:** There is nothing that can drain away a prospect's buying interest more than a half-dead salesperson. Dullness should be left at home. A salesperson must radiate enthusiasm during and after the sales call.

- 16. Figure Sense:** He or she should have the mathematical ability to figure and fill up order form correctly and to make the necessary reports.
- 17. Friendliness :** A salesperson should be able to make people like him or her and he or she must like to meet people
- 18. Handwriting:** He or she must write legibly so that his or her paper work can be readily understood by his or her office people and by his or her customers.
- 19. Health:** Good health generates energy and energy is needed to sell. Poor health prevents many salespersons from fulfilling their potentials.
- 23. Interest in job:** He or she likes selling and working for the company. .
- 24. Motivation:** He or she must have more than just an interest in selling. Psychologists have found certain predominant patterns in people who have become really successful salesperson. They live in the present and not in the future. They do want power over others and prefer not to work under close supervision.
- 25. Originality:** He or she is constantly searching for new ideas to be used in selling the products and suggests better ways of doing things.
- 26. Persuasiveness:** Very few products of any type actually sell themselves. They must be sold. Salesperson must have the ability to get people to agree. There are situations when persuasiveness may vary keeping in view the consumer's response.
- 27. Positive:** His or her maturity is reflected in his or her behavior. He or she should be positive, confident, energetic and business like. He or she should be able to demonstrate to the customers that he or she knows what he or she is talking about.
- 28. Self-control:** He or she can handle difficult people and situations calmly.
- 29. Self-starter:** They are self motivated. These salespersons work without constant supervision and is able to make decisions on his or her own.
- 30. Speech:** He or she can speak clearly and maturely in a natural tone. He or she can

emphasize sales points with sincerity and friendliness

Knowledge Assessment 4

Short questions:

1. Define personal selling along with its nature?
2. What characteristics a good salesperson should possess?
3. Differentiate technical support salespeople and consumer salespeople.
4. What is the role of merchandisers in selling?
5. Explain order getters and order takers.

SUMMARY:

1. Salespeople contribute to society by acting as stimuli in the economic process and by assisting in the diffusion of innovation.
2. The salesperson will act as a consultant to the customer in trust-based selling, whereas transaction-based selling concentrates more on making sales calls and closing sales.
3. Personal selling is a major ingredient of promotion mix of a company. It has a big role in implementing promotional programme.
4. Personal selling is likely to carry the bulk of the promotional load when: a) the market is concentrated either geographically, or in a few industries, or a few large customers. b) The product has a high unit value, is quite technical in nature, or requires a demonstration. c) The product must be fitted to an individual customer's need; as in the case of securities or insurance. d) The sale involves a trade-in. e) the product is in the introductory stage of its life cycle. f) The organization does not have enough money for an adequate advertising campaign.
5. Approaches to personal selling include stimulus response, mental states, need satisfaction, problem solving, and the consultative approach.

Knowledge Assessment 5

Long questions:

1. Why personal selling is needed in modern era? Explain in brief along with examples.
2. Explain the qualities require to be a successful salesperson.

3. Salespersons have to perform various functions in the market?
4. Explain the different approaches to personal selling.
5. How do salespeople contribute to our society? Are there negative aspects of personal selling from a societal perspective?
6. What are the primary contributions made by salespeople to their employee's?
7. How are need satisfaction and problem-solving selling related? How do they differ?
8. How does the consultative selling approach differ from problem-solving and need satisfaction selling? Explain the three key roles of consultative salespersons.
9. When do you think stimulus response selling would be most effective?

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UNIT II: ESSENTIALS OF SALES

Unit Code:	UNIT TITLE: : ESSENTIALS OF SALES			
	Duration:			
Location: Classroom or Retail outlet or Company's premises	SESSION1: KNOWLEDGE OF INDUSTRY AND COMPANY			
	Learning Outcome	Knowledge Evaluation	Performance Evaluation	Teaching and Training Method
	1. Meaning and importance of knowledge of Industry and Company Product and Customers	1.Introduction 2.Benefits of acquiring Knowledge to salesmen 3.Knowledge of industry 4. Knowledge of company	1. Justify need for acquiring Knowledge to salesmen 2.Explicate meaning of Industry 3.Information collection regarding various aspects of industry 4.The sources and significance of Industry information 5.Information collection regarding various aspects of firm 6.The sources and significance of firm information	Interactive Lecture: Introduction of knowledge of Industry with its significance and sources Discussion of how to collect information regarding firm from various sources and its significance Activity: Identify different manufacturing and service industries and gather information regarding them from various sources. Prepare a list of various policies of a manufacturing and a service firm to be used in sales presentation
	SESSION 2: KNOWLEDGE OF PRODUCTS/ SERVICES			
	Meaning and importance of knowledge of Product and Services	1.Meaning of Products Goods & Services 2.Categories of products Convenience products Shopping products Specialty products Unsought products Aspects for collecting information about	1.Distinguish and validate goods and services 2. Explicate various Types of products 3.Substantiate the product features been highlighted by the salesperson in	Interactive Lecture: Discussion of how to approach the prospect effectively and handle queries by acquiring product or service knowledge Activity:

		product Product features to be highlighted by the salesperson	the sales presentation	Prepare a sales presentation enlisting various features of products/ services being sold
		1.Acknowledge different modes of order delivery 2.Enumerate support personnel activities in selling	1. Explicate various methods of order delivery in selling 2.Substantiate the role of support personnel activities in selling	Interactive Lecture: Clarification on importance of timely and proper order delivery and different methods of order delivery Activity: Enlistsupport personnel activities at a Shopping Mall
SESSION 3: KNOWLEDGE OF CUSTOMERS				
1. Meaning and benefits of knowledge of customers	1.Enumerate different types of consumers in sales and their significance in sale process 2.Explain the benefit of acquiring customer knowledge in selling process	1.Differentiate and assess the significance of types of consumers 2.Classify the sale oriented types of customers. 3.Sources of gathering information about customers and its benefit to firm and salesman	Interactive Lecture: 1. Clarification on importance of accumulating customer knowledge 2. Acquaint with different sources of collecting customer information and its benefits. Activity: Identify different types of customers for manufacturing or service industries. Prepare a sales presentation addressing their mindset, and convert them into buyers.	

(Note: The location would depend upon the topic under discussion, wherein it will be the classroom for the theoretical interactions and the student will be required to visit field/retail outlet or the marketing department of an organization to observe and comprehend the concepts related to salesmanship.)

SESSION1: KNOWLEDGE OF INDUSTRY AND COMPANY



INTRODUCTION-

The 'art of salesmanship' depends upon personality and skills of salesman. A well-groomed person equipped with 'knowledge': the knowledge of product/ service, knowledge about the company, knowledge about the competitors, knowledge of customers, sales related marketing policies and knowledge of selling techniques is the pre-requisite of salesmanship. Sales-person without product knowledge is just like body without soul. Of course, salesmen should 'dress to impress'; as a good personality is the starting point of any sale; but perfect knowledge of the industry/ firm; product/services and the customer segment to be targeted helps the salesman in dealing with the customer in a satisfactory manner. There is no denying of the fact that salesmen are made and not born. This information can be provided to salespeople through the product brochures or manuals, the sales training programmes or on-the-job learning in his company. It is very essential for salesmen to be conversant with all the facts related to product/service, its quality, marketing policies, pricing and credit policies of the company, warranty or guarantee policy along with the

knowledge of its customers and markets, because insufficient knowledge may lower self-confidence and enthusiasm of salesman resulting lesser sales.

Acquiring knowledge is beneficial for the salesman, as it helps him in the following manner-

- (i) **Increases the self-confidence of the salespersons:** Due to knowledge of the product and its application according to the customer's needs, salesman gains confidence and expertise in handling prospects.
- (ii) **Satisfaction to customers:** Prospects expect salespersons have good and reliable knowledge to guide them for improved operations of the product. He can guide them about how to use and what precautions should be taken while using that product. When a prospective customer finds salesman convincing enough, the sales presentation becomes more acceptable.
- (iii) **Increase in sales through better services to the prospects:** A satisfied customer makes repeat orders and also recommends it to others.
- (iv) **Better position over competitors:** With adequate knowledge of rival companies and their products, he can put across superiority of his own product.



Benefits of Product Knowledge to the salesmen	
Increase in Self Confidence	Increased Sales by Obtaining Larger Orders
Satisfactory services to customers	Efficiency in competitive situations

Knowledge of the industry and the company is generally compared to the solid foundation of a large building; which may not be in sight, but it is very essential for good salesmanship. Successful salespeople know all of the industry, their firm, product features and skillfully turn these features into benefits for their customers. The salesmen may use conventional and creative sources to gather such information.

KNOWLEDGE OF INDUSTRY

An industry, in fact, is a group of manufacturers or businesses that produce similar kind of goods or services. For example in the textile industry, workers design, fabricate, and sell cloth. In readymade garment industry firms manufacturing different variety clothes are considered. The tourist industry observes all the commercial aspects of tourism or the automobile industry makes cars and car parts. The salesman should collect information about the industry on following aspects-

- a) **Knowledge about the history of industry-** The salesman must know the facts about the history of industry, its various growth stages and the present stage to prepare the background of his sales presentation.
- b) **Knowledge about other market players in the industry-**He has to gather proper information about the number of firms in the industry and their market share to ascertain the standing of his own company. The salesman can collect information regarding competitors and other industry updates from various trade journals, reports of ASSOCHAM and NASSCOM, reports of private researches as well as retail surveys. These journals regularly publish information to keep members of the industry abreast of new developments in the related fields.

- c) **Knowledge about the products of rival firms-** Since buyers generally compare several products while purchasing one, the salesman should also have knowledge of positive or negative features of all available products/ services of rival firms in the market before initiating selling effort for his product/ service. For example 'Patanjali' before launching its products at different locations, studied product line of 'Dabur' and 'Hamdard' along with their market position through various market surveys.
- d) **Knowledge about the pricing strategy of market leader firm-** This information helps the firm to fix the price of its own product to stay in competition as well as to get larger market share. The salesman can indicate same/ lesser prices of his own product in his sale presentation.
- e) **Knowledge about the promotional strategy of the firm-** To catch public attention in competitive selling the mode of advertisement and propaganda should be innovative and different. The salesman should be aware of different gift schemes or reward point schemes offered by his company as well as other companies in the market. This type of information can be collected by the salesman from his own company's website and other companies' websites giving detailed information about its product line, the quality standards undertaken, pricing and distribution outlets etc. Similarly these websites give him an insight to competitors' products, their strength or weaknesses to prepare his own selling strategy.

KNOWLEDGE OF COMPANY

The modern salesman sells not only the product but also the prestige and reliability of his company. Being representative of his company the salesman must have thorough knowledge of the origin and growth of company, its mission and vision, his employer, the board of directors and company's policies.

- a) **Knowledge about the key personalities at his firm-** As no business can be any bigger than the men at its back; the salesman should learn about his employer and principal personalities in his organization. He should know; who is the president of the company, the vice presidents, the treasurer, the secretary and the general manager. Who are the members of the board of directors and what are their respective functions, duties and authorities. It may help him in answering random queries at sales presentation. This information can be accumulated from company's literature, orientation and training programmes organized by the company.
- b) **Knowledge about the policies of the company-** He should also clearly know about the mission, vision, distribution as well as sales promotion policies adopted by his undertaking. This is essential to impart confidence in the salesman. It also helps him to reconcile his selling efforts to the requirement of the situation and enables him to

serve the customers and company more efficiently. For example confidence in a particular automobile is created in the mind of the prospect partly by the brand name, company's reputation, ability of designers and the integrity of the company's executives, as these characteristics give some assurance of the continued servicing of the car.

c) Knowledge about the product-line of the company-

This information can be collected from product literature such as brochures and manuals. The small booklet called brochure is often used to introduce a company and inform about its products or services to a target audience can provide good information to the salesmen. Similarly a manual provides detailed information about operation and maintenance of a product. The training sessions at company can also provide salesmen this information.

d) Knowledge about the pricing policy and sales promotion policy of the company

- The salesman should be aware of the list price and the net price (list price minus discounts) of different models of products offered by the firm. He should be able to communicate the discounts and credit policies to the customers for their benefit and help them in deciding about purchase. This information again can be accumulated from product brochures and from updated literature.

e) Knowledge about the distribution policy of the company- If customers enquire about company's outlets, transportation charges or free shipping facility, the salesman can answer satisfactorily only if he is well versed

f) Knowledge about the production process adopted by company- Salesman visit to manufacturing department provides him first-hand information about the product constituents and production process of the commodity being sold by the firm. This helps salesman in creating "environment friendly image" of the company. He can prepare a convincing presentation for the prospects and win them over other competing firms.

Knowledge Assessment - I

State whether the following statements are true or false:

1. A well-groomed person equipped with 'knowledge': the knowledge of product/ service, knowledge about the company and knowledge of customers is the pre-requisite of salesmanship.
2. Insufficient knowledge may increase self-confidence and enthusiasm of salesman.
3. When a prospective customer finds salesman unconvincing the sales presentation becomes more acceptable.
4. A satisfied customer makes repeat orders and also recommends it to others.
5. Buyers generally do not compare several products while purchasing one.
6. The modern salesman sells not only the product but also the prestige and reliability of his company
7. The list price and the net price of different models of products offered by the firm are one and the same
8. Salesman visit to manufacturing department provides him first-hand information about the product constituents and production process of the commodity
9. A manual provides detailed information about operation and maintenance of a product.
10. Different websites give the salesman an insight into competitors' products, their strength or weaknesses and help in preparing his own selling strategy.

Answers: 1. True, 2. False, 3. False, 4. True, 5. False, 6. True, 7. False, 8. True 9. True 10. True

SESSION 2: KNOWLEDGE OF PRODUCTS/ SERVICES

The knowledge about the company's products and services is very essential for the salesman to be able to discuss accurately and persuasively with his present and prospective buyers. To satisfy their present and future wants customers demand goods and services. Goods broadly are classified as consumer goods and capital goods. Consumer Goods are directly used by the consumer for the purposes of consumption, for example bread, biscuits, butter, jam, rice, fish, eggs, shoes, shirts, fan, book, pen, cooking gas etc. ; whereas Capital Goods are demanded not to be used in further production, for example fertilizers, tools, machines, raw materials etc.

Consumer good/ products can be further categorized into four different types-

- a) Convenience products**
- b) Shopping products**
- c) Specialty products**
- d) Unsought products.**

a) Convenience products

A convenience product is a consumer product or service that customers normally buy frequently, immediately and without great comparison or buying effort, for example laundry detergents, fast food, sugar and magazines. These types of consumer products are usually low-priced and placed in many locations to make them readily available when consumers need or want them.

b) Shopping products

Shopping products are a consumer product that the customer usually compares on attributes such as quality, price and style in the process of selecting and purchasing. The consumer spends much more time and effort in gathering information and comparing alternatives. These are the products like furniture, clothing, used cars, airline services etc. As a matter of fact company usually keeps fewer outlets for these products, but provides more sales support in order to help customers in the comparison effort.

c) Speciality products

Speciality products are consumer products and services with unique characteristics or brand identification for which a significant group of consumers is willing to make a special purchase effort; for example cars, professional and high-prices photographic equipment, designer clothes etc. In order to buy one, buyers may make a special effort and visit specific showrooms. Here skill and knowledge of salesman is very important to convince the buyer.

d) Unsought products

Unsought products are those consumer products that a consumer either does not know about or knows about but does not consider buying under normal conditions. Consumers do not think about these types of consumer products normally, at least not until they need them. Most new innovations are unsought until consumers become aware of them. Various life insurance policies and investment plans are few examples of these types of consumer products. As a consequence of their nature, unsought products require much more advertising, selling and marketing efforts than other types of consumer products.

Services -

Firms produce and market different types of services as well. It may offer Personal services to individual customers and households, like healthcare, travels, entertainment, amusement, repairs, maintenance, life insurance etc. Similarly, there are Business services like advertising, market research service, consultancy, insurance etc., which are also marketed by the firms as their product.



Customers expect thorough knowledge and guidance from a salesman while purchasing firm's products/services, because of their own ignorance. Enthusiastic sales staff that is passionate about its products/ services and is eager to share the benefits with the buyer is able to close the sale in a successful manner.

- a) **Knowledge about the variants of product**-He should possess the complete information about the product to be able to properly answer the questions of the customers at the time of sale. In case of new product especially, the buyer depends on the salesman to a great extent. The salesman should be familiar with various product assortments, the number of variants in each product line, their physical characteristics and sizes. He must know particular features, advantages and

benefit of different varieties. Some knowledge about the materials used and production technique etc. is also essential for him to convince buyers about the quality of the product. For example consumers now a day are more conscious about edible organic products. They verify ingredients and check labels to find differences before purchasing it.

- b) **Knowledge about the prices**-He should be aware of the discounts and credit policies, to negotiate and close the transaction. Generally customers want to know the list price and the net price (list price minus discounts). They also enquire about transportation charges or free shipping facility.
- c) **Knowledge about promotional schemes**-The salesman should be able to explain buying incentives; i.e. the cash discounts offered to customers on particular volume of trade. He should also be able to explain the scheme of reward points on purchases and when will they be redeemable (generally, in next purchase).
- d) **Knowledge about mode of payment and availability of the product**- Whether the product is readily available in stocks or will be delivered later on, the salesman should be in the position to communicate to the customers. Along with it he must be able to communicate clearly the terms of payments and company's credit policy to ensure timely collection of payments against the bills raised on them. He should be able to explain if the product is available at down payment, direct credit or EMI facility.
- e) **Knowledge about the operations and applications of the product**- The salesman should know about operations and applications of the product. He may help buyers by demonstrations regarding functioning and upkeep. This way he can show the level of quality control of the product and can convince his buyers that how his product quality and service is better in comparison to his competitors. For example sale of industrial goods like machines, pumps, motors or engines the salesman must have technical knowledge to convince the buyer.
- f) **Knowledge about the provisions for customer service**- It can be pre-sales service, during-sales or post-sales service, depending on the type of product or service offered. He should be very clear about the warranty or guarantee policy decided by the company. He should be conversant with the distribution channels employed to sell the product.
- g) **Knowledge about the new models of the product to be launched in near future**- The salesman should have fair idea about new models of the product to be launched in near future and their specific features.

Product knowledge is an essential sales skill, as it can turn sales process easy. The salesman can be trained about product features and other specifications in 'special training

programmes' organized by the company. He should be given updates about these from time to time.

This helps the salesperson in communicating benefits to potential customer in convincing way. The customer may be provided substantial information in the deal, in the following manner-

Product features	Product features to be highlighted by the salesperson
Its purpose	It will meet customer needs and save his time and money
How it works	It is easy to use so customer won't be frustrated by complicated features
How it is developed or manufactured	It is indigenous, supporting local industry and environment friendly
How it is checked for quality	Customer can be confident it will work properly
How it is delivered	Customer doesn't have to worry about delivery; the firm will organise that
How it is maintained and serviced	Customer can be assured that if it needs maintenance, it will be taken care of in after-sales services
How long it is likely to last (including any warranties)	Customer can be confident that if it has any problems the firm will fix it or replace it while under warranty
Its price	Customer can comfortably afford it
How it compares to competitors' products	Customer are receiving quality and value for money

Knowledge Assessment – II

Fill in the blanks-

1. Product knowledge is an essential as it can turn sales process easy.
2. Customers expect thorough knowledge and guidance from a salesman while purchasing firm's products/services, because of their own.....
3. By regarding functioning and upkeep the salesman informs about operations and applications of the product
4. Generally cash discounts offered to customers on particular
5. Most new are unsought until consumers become aware of them.
6. are a consumer product that the customer usually compares on attributes such as quality, price and style in the process of selecting and purchasing.
7. Skill and knowledge of salesman is very important to the buyer for speciality products.
8. Salesman should be aware of the..... and credit policies, to negotiate and close the transaction

Answers: 1.sales skill 2. ignorance 3. demonstrations 4. volume of trade.5.innovations
6. Shopping products 7. convince 8. discounts

SESSION 3: KNOWLEDGE OF CUSTOMERS

Acquiring and retaining customers are serious concerns for a salesman and for this it is important to gather information about the customers. The success of a salesman lies in creating permanent customer for the product. A deeper understanding of the customers is required to discover what catches buyer's impulse. The salesman must have a fair idea of existing and prospective buyers, their needs and preferences. Knowledge of their buying behaviour helps salesman in prospecting new customers for sales while keeping the existing buyers loyal to the company. He should try to understand the nature, habits and motives of the customers. He should properly assess the requirements of the customers and should be capable of tackling the customers of different nature in a patient manner.

There's no single strategy for customers as each customer is unique. The salesman requires different approach to handle each one of them. He needs to do some homework for different types of consumers. There are generally three categories of consumers-

- a) **Industrial Consumer**- An industrial consumer is an entity that purchases products with the intent of using them in the course of operating a business. They may use them as intermediate goods in different types of industry. Customers in the agricultural industry who purchase heavy farm equipment or machines to operate commercial farming come in this category.
- b) **Institutional customers**- 'Institutional Consumer' buys facilities or services in connection with transport, hotel, hospital, banks, insurance companies, financial services or other packaged commodities directly from the manufacturer or from a wholesale dealer for use by the institution. Normally it makes bulk purchase and has better bargaining power. They also demand for product-customization, e.g. soap and shampoo for hotels are ordered in small size and packing.
- c) **Individual Consumers** - Individuals who buy for themselves or their family are called Individual consumers.

A salesman encounters five sales-oriented types of customers in the process of selling.

1. Potential customer

The Potential customer comes on the very beginning of sales funnel and is not a customer as yet. He has already showed some interest in the product, either by filling out a contact form, asking a

question, or visiting website he needs nurturing and warming up before making a buying decision. Salesman must give him the full attention and convert him as buyer. He should make sure to let the potential customer know that he/she can ask for help or advice at any time. Even if the customer won't need it immediately, he/she will appreciate the offer.

2. New customer

New customer is the fresh customer that just bought something. He is still learning how to use the product. Salesman can guide him and show him how to use it. He can leave a contact option open to make adoption period smooth.

3. Impulsive Customer

This is the type of customer that can make a buying decision in an instant, provided that the conditions are right. The salesman should make the answer, instant, short and satisfactory for his queries to make a purchase deal successful.

4. Discount customer

This type of customer is that who sees value in the product but won't buy it at full price. He is usually looking for some extra information on the exact conditions of the deal or discount being offered. Salesman can help him by explaining all the necessary details about the deal to avoid any confusion. He should help him with entering a discount code or using a coupon. The salesman needs to provide added value in the deal which may make him think twice before switching to another company.

5. Loyal customer

This type of customer is satisfied customer who keeps coming back for purchasing again and again. He is sort of brand's ambassador and helps the firm grow through word of mouth. He recommends the product to his friends and family, sending a healthy stream of new customers to the firm. The salesman should take note of these types of customers and try to replicate their experience. By featuring them in case studies they can be made appealing to potential customers.

The salesman may get a fair idea about the present buyers from sales records of the company. To identify new buyers he may explore different market segments, understand their psychology and needs and makes an appropriate strategy to convert prospects into buyers.

The knowledge of customers benefits the salesman as well as the firm many ways, e.g.-

- i) **It provides the salesman knowledge of different market segments**-Market segmentation is a way of arranging the customers into smaller groups according to their type. The salesman can communicate properly by preparing target specific, relevant marketing messages for each group while selling. For example some customers may

prefer the direct approach, such as personal contact or telephone marketing, while others may respond better to a local advertising campaign.

- ii) **Helpful in targeting and identifying new prospects-** The success of a salesman lies in creating permanent customer for the product. When it comes to finding new business, it is vital to establish whether there is a market for the products or services. He has to identify the type of people that would make the ideal customers for his product. The customers' knowledge helps in targeting and identifying new prospects. The key is to draw a picture of an individual that represents the type of person salesman is aiming at. If he takes two very different types of prospect they will have very different needs, wants, values and opinions. And they will respond quite differently depending on the marketing method he uses. For example for sale of cars to the 'Males' segment the salesman will observe the disposable income of buyers, their job and position, retired or are in semi-retirement and if they live in cities or a rural environment. For 'Females' segment the attributes under observation will be whether they are living in cities or rural areas, working or nonworking, their level of disposable income and aspirations to enjoy life to the full.



- iii) **It indicates customers' potential to purchase -** What is important in selling is not surface differences, but the differences that actually affect buying behaviour. What triggers each person to buy is in fact his/ her purchasing capacity. This also helps in setting price for the product/ service.
- iv) **It helps the firm for customization of products/ services according to customers' choices-** Customer groups certainly differ on gender and age lines and so are their

choices for the products. The young buyers go for trendy technical gizmos which are different from the products elderly buyers are most interested in.

- v) **Helps in maximizing opportunities for cross-selling or up-selling-** By increasing the understanding about what customers are buying, salesmen can also maximize opportunities for cross-selling or up-selling. Upselling is the practice of encouraging customers to purchase a comparable higher-end product than the one in question, while cross-selling invites customers to buy related or complementary items.
- vi) **Good customer service-** The knowledge of what customers buy; why they purchase it repeatedly; or what problems they face in its use gives a fair feedback to improve customer service as well as to retain customers.

Since the existence of business depends upon the level of sales and salesmen has to be equipped with knowledge of company, product and customers. The basic purpose of producing the goods or services would be defeated if no one is ready to buy them. Therefore, the “selling skills” and “Knowledge” are vital for salesmen so that goods and services are sold in order for business to exist.



Knowledge Assessment – III

Make the right choice:

1. A prospective buyer generally-
 - a) Intends to buy
 - b) Enquires
 - c) Does window-shopping

2. An impulsive customer can make a buying decision in -
 - a) Long run
 - b) an instant
 - c) near future

3. 'Institutional Consumer' makes bulk purchase and have ----- bargaining power
 - a) weaker
 - b) normal
 - c) stronger

4. The customers' knowledge helps in new prospects
 - a) targeting
 - b) trapping
 - c) positioning

5. The success of a salesman lies in creating -----customer for the product
 - a) few
 - b) new
 - c) permanent

6. A loyal customer is satisfied customer who makes purchasing
 - a) again and again
 - b) sometimes
 - c) rarely

7. -----purchases products with the intent of using them in the course of operating a business.
 - a) Potential customers
 - b) Discount customers
 - c) Industrial customer
 - d) Institutional Customer
 - e) Individual Customer

Answers: 1(a) 2(b) 3(c) 4(a) 5(c) 6(a) 7(c)

EXERCISE QUESTIONS:

(A) Write short answers to the following questions-

1. What type of knowledge is the pre-requisite of salesmanship?

2. How does knowledge increase the self-confidence of the salespersons? Discuss.
3. 'Buyers generally compare several products while purchasing one',
Comment on the statement.
4. How can a salesman gather knowledge about other market players in the industry?
5. 'Knowledge about the pricing strategy of market leader firm helps the firm to frame its own pricing policy'; Do you agree?
6. Do you think that knowledge about the key personalities at his firm increase salesman's confidence? Explain how?
7. How does knowledge about the promotional strategy of the firm help salesman attracting customers?
8. When and why does a customer make repeat orders and also recommends it to others?
9. What do you mean by convenience products?
10. What do you understand by shopping products?
11. Differentiate specialty products and convenience products.
12. Distinguish between Unsought products and Specialty products.
13. Why is knowledge about the provisions for customer service necessary for salesman?
14. Knowledge about the operations and applications of the product is essential to convince potential buyers; do you agree the statement?
15. Who are potential customers? Explain.
16. What do you mean by new customers of a firm?
17. What do you understand by impulsive customers?
18. Who are potential Discount customers?
19. Define loyal customers of a firm.
20. Knowledge about customers helps the firm for customization of products/ services according to customers' choices. Comment.

(B) Write long answers to the following questions-

1. How is acquiring knowledge beneficial for the salesman in sale process? Explain.
2. Discuss various sources of gathering information by the salesman.
3. What is meant by an industry? How can a salesman collect information about Industry?
4. Why is the knowledge about industry very essential for a firm?
5. How is knowledge about the product-line of the company and knowledge about the policies of the company are helpful in enhancing sales activities.

6. The modern salesman sells not only the product but also the prestige and reliability of his company. Discuss.
7. How can salesman create “environment friendly image” of the company?
8. How does the knowledge about the provisions for customer service necessary for salesman to increase sales?
9. What do you understand by Industrial Consumer, Institutional customers and Individual Consumers? Explain with examples.
10. ‘The knowledge of customers is beneficial for the salesman as well as for the firm’; Explain in detail.

UNIT III PRELIMINARY STAGES OF PERSONAL SELLING PROCESS

Learning objective

After reading the unit, the student will be able to:

- Understand the meaning of Prospecting;
- Identify the importance of Prospecting;
- Explain the characteristics of prospects;
- Comprehend the methods of prospecting;
- Know the meaning of pre-approach;
- Understand the importance of pre-approach;
- Explain sources of information in pre-approach;
- Comprehend the meaning of Approach;
- Know the importance of approach;
- Appreciate methods of approach.

Session I Meaning and Definition of Prospecting

Location: Class Room	Duration			
	Session I : Meaning & Definition of Prospecting Characteristics of Prospects methods of Prospecting			
	Learning Outcome	Knowledge Evaluation	Performance Evaluation	Teaching & Training Method
	Define the meaning of Prospecting	1. Describe the meaning of Prospecting	1. Elucidate the meaning of the prospecting	1. Interactive Lecture: Discuss the meaning of prospecting interactive
	2. Essential Characteristics of prospects	2. Define the various characteristics of prospects	2. Describe the different features of prospecting	2. Interactive Lecture: Explain the various attributes of prospecting
	3. Methods of prospecting	3. Describe methods of prospecting	3. Appreciate the methods of processing	3. Interactive Lecture: Explain the methods of prospecting

Session II Meaning of Pre-Approach

Location: Class Room	Duration			
	Session II : Meaning Pre-approach Importance of Pre-approach Sources of Information Pre-approach			
	Learning Outcome	Knowledge Evaluation	Performance Evaluation	Teaching & Training Method
	1. Define the meaning of Pre-approach	1. Describe the meaning of Pre-approach	1. Elucidate the meaning of the Pre-approach	1. Interactive Lecture: Discuss the meaning of Pre-approach
	2. Essential features of importance	2. Describe the importance of Pre-approach	2. Appreciate the importance of Pre-approach	2. Interactive Lecture: Explain the importance of Pre-approach
	3. Sources of Information in Pre-approach	3. Describe the sources or information in Pre-approach	3. Appreciate the methods of information in Pre-approach	3. Interactive Lecture: Explain the methods of information to Pre-approach

Session III Meaning of Approach

Location: Class Room	Duration			
	Session III : Meaning of Approach Importance of Approach Methods of Approach			
	Learning Outcome	Knowledge Evaluation	Performance Evaluation	Teaching & Training Method
	1. Define the meaning of Approach	1. Describe the meaning of Approach	1. Elucidate the meaning of the Approach	1. Interactive Lecture: Discuss the concept & meaning of Approach
	2. Importance of Approach	2. identify the importance of Approach	2. Describe the importance of Approach	2. Interactive Lecture: Discuss the importance of Approach
	3. Methods of Approach	3. Describe the methods of	3. Identify the methods of	3. Interactive Lecture: Discuss

		Approach	Approach	the methods of Approach
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Session I Meaning and Definition of Prospecting

Introduction

Personal Selling involves the following stages - Prospecting, Pre-approach, Approach, Presentation& Demonstration, Objection Handling, Close and Follow Up. The first three are taken up as Preliminary Stages of Personal Selling Process. The remaining stages form, Advanced Stages of Personal Selling Process – Presentation, Objection Handling, Closing sale and Follow Up (After Sale Service).



Prospecting is the first stage of the selling process. According to Futrell, “A prospect is a qualified person or organisation that has the potential to buy the good or service, provided he has the money to buy, authority to buy, and desire to buy. Prospecting is the lifeblood of sales because it identifies potential customers.” The salesperson saves his/her time and effort by getting leads. Salespersons must have skills to develop their own leads. The leads can be developed from different sources like present customers, suppliers, dealers, non-competing salespersons, credit agencies, banks, clubs and published data sources.

Importance of Prospecting

A Salesperson looks at prospecting like laying a foundation. Finding leads (or people who *might* be prospects) is the most vital part of the selling process—one can’t make a sale without identifying the people to whom one will be selling. It’s a continuous process. Firms lose some customers every year for a number of reasons: customers may not need the product or service, or do not have the financial means to purchase the product or service, or the business may no longer be entry - free. So if we have not been building the prospect list, we will not have new customers to replace the customers we lose.

If any of the customer gives a cursory look at things-, Salespersons find a prospect. “Most people - salespersons and customers alike - are surprised to learn that over two-thirds of shoppers who give the “just looking” response end up purchasing the product within a week as per the Channel Intelligence, “2004 Channel Intelligence Consumer Buying Intent Survey Reveals Online Shopping Trends”.

Characteristics of prospects

A good prospect has definite characteristics and stands out for several qualities:

1. A good prospect is someone who has a problem that the product can solve efficiently and cost-effectively: What problems do the product or service solve? Of those problems, which are the most pressing and valuable? Once the salesman has a clear answer, he searches the marketplace for customers likely to have similar problem.
2. A good prospect has a goal that the company’s product can help to achieve: The primary buying motivation for all products and services is improvement. When someone has a desire to improve a specific aspect of life or work, and the product or service can help, that individual can be a very good prospect.
3. A good prospect has the power to make the buying decision: It doesn’t matter if a prospect has a problem that product can fix, a need the product can satisfy, or a goal the product can fulfill. If that prospect lacks the authority to make a buying decision, then, “the sales process comes to a halt.”

4. A good prospect is someone who likes the salesman, the company, as well as their product: People are primarily emotional in their decision making, and almost all emotions revolve around how one person feels about the other. When a prospect continually argues, complains, and criticises while the salesman politely helps him understand the features of the product and takes care of the prospect's needs, an emotional connect develops towards the salesman, their product and company too.
5. A good prospect is a center of influence; someone who can open doors for other prospects: Bending over backwards to acquire a VIP can pay off – big. One satisfied customer who is well known and respected can create opportunities to sell more of products and services at full price.
6. A good prospect is easy to sell to and service: one doesn't have to fly across the country to find the perfect prospect. Delivering satisfaction and building a relationship is much easier when the customer is located nearby.

Methods of Prospecting

Salespersons may follow any of the following methods for prospecting:

1. **Cold Canvassing:** salesperson goes from door-to-door and tries to impress upon the prospects. Cold canvassing means face-to-face interview with the people. Cold call is better over a phone call, where a customer can easily say no. But visiting the prospect after a cold call, will be difficult to out rightly say no, because in the cold call the sales person takes the information of the decision-maker and makes call directly to him. But cold canvassing involves more time.

At the end of cold call the salesperson must give his visiting card, so that the prospect could call the salesperson. If at the time of cold call a person had shown interest he may be ready to buy.

Cold calling is not found suitable in all the cases. It is suitable in consumer products and services of general nature, business-to-business selling for items like copiers, calculators etc. Insurance agents (territories allocated), readymade garments resellers, and charity seekers also do cold calling.

2. **Satisfied Customers:** Customers who are satisfied give the names of those who are interested in similar products, apart from repeated buying. Many of the bankers ask their present customers who are satisfied with the services of the bank, about the prospects. The Insurance Advisor of Birla Sunlife Insurance asks five names of the persons who are known to the customer and are in need of insurance products. Similarly, Eureka Forbes uses the customer referral method. Salespersons can build a list of prospects. Sometimes, two representative may have similar references, which is a limitation of the method. It is

also called as endless chain referral method of prospecting. It is a good method to find the customers.

3. **Telephone Directory or Mailing List:** Prospects names can be generated through telephone directory or mailing lists. Panda and Sahadev (2012) call it prospect pool, which may be constructed from four main sources: Leads (salespersons know nothing), Referrals, orphans (salesperson left the company) and customers,
4. **Influencers:** People because of their position, authority, responsibility, accomplishments, or personality exercise more influence. These people are found in all spheres – social, business, religious, political, etc. People refer them while buying. Film personalities and celebrities influence the buying process.
5. **Non-competing sales Force:** Prospects names can be got from salespersons of non-competing products. These salespersons know about the requirements and purchase managers, who place orders. A salesperson supplying copiers can tell about computers. One can know by listening or observing the buyer of the products.
6. **Friends and Acquaintances:** It's a rich source for prospects. Banks (while opening F/D), insurance agents and mutual fund sellers use it to build prospects list. Source of known people may include FICCI, ASSOCHAM, CII, and Trade Associations like NayaBazarFood Grains Association. In many placements, questions regarding whom do you know in school, previous job, hobbies and sports, club members, professional associations and in the neighbourhood are also worked to prepare a list.
7. **Telemarketing:** There are different applications of telemarketing for preparing the list of prospects. Telemarketing can be inbound and outbound. In the inbound telemarketing the call is made by the prospect and in the outbound telemarketing the salesperson calls the prospects. In the inbound telemarketing, if the prospect is happy, the order processing happens. Companies use advertising, direct mail and different promotional activities to propel calls from prospects. Company give toll-free number in all the promotional activities, so that prospect can make a call. Thereafter, the salesperson makes a call to the prospect or the customer.
8. **Trade Shows and Demonstrations:** Companies go in for trade shows and demonstrations at exhibitions and public shows or street corners and collect prospect data. In Delhi, exhibition is organised annually at the exhibition ground. Firms get a chance to collect prospect data by asking people to register themselves.
9. **Bird-dog Method:** 'Bird dog' is the nick-name given to the persons who visit the houses at a definite interval. Often, we have electric or water meter readers, gas boys, milk suppliers, news-paper boys, watchmen, liftmen, household servants like dhobi, car cleaners, utensil cleaners, maid servants, in official capacity visit many households in a particular locality. Such 'bird-dogs' or 'sales associates' provide a good deal of demographic information relating to households. On which the salesman can capitalise. It provides as the most reliable source of information and economical too. The information is collected without asking the prospects.

The other methods of prospecting include Websites, Newspapers, Technical Publications, Company Enquiry Registers, Territory Records, Suggestions from Salespersons in other fields, and Selling Plan (Company's sales plan shows sales forecasts for different industries).

Knowledge Assessment – I

Fill in the blanks with appropriate words

1. Prospecting is the -----of the selling process.
2. “A prospect is a qualified person or organisation that has the potential to buy your good or service, provided he has the money to buy, authority to buy, and desire to buy. Prospecting is the lifeblood of sales because it identifies potential customers.”
3. A Salesperson looks at prospecting like laying a -----.
4. Finding -----is the most vital part of the selling process.
5. A good prospect is someone who has a problem your product can solve and cost-effectively.
6. A good prospect has a -----your product can help to achieve.
7. A good prospect has the -----to make the buying decision.
8. A good -----is someone who likes you and your company, as well as your product.
9. Cold canvassing means -----interview with the people.
10. If the customers are satisfied they give the -----of those who are interested in those products, apart from repeated buying.
11. -----names can be generated through telephone directory or mailing lists.
12. -----are found in all spheres – social, business, religious, political, etc.
13. Prospects names can be got from salespersons of -----products.
14. ‘Bird dog’ is the -----given to the persons who visit the houses at a definite interval.

{ANSWERS: 1.first stage, 2.Qualified, 3.Foundation, 4.Leads, 5.Efficiently, 6.Goal, 7.Power8.Prospect, 9.face-to-face, 10.Name, 11.Prospects 12.Influencers 13.Non-competing,14. Nick-name}

Session II Meaning of Pre-Approach

Before the salesperson presents himself for a sale, it is compulsory to develop a sales strategy by gathering customer data. Customer data is gathered to combine them to product attributes. The salesperson gets more knowledgeable with regard to consumer's behaviour and his needs, so that he/she can make a better presentation. A pre-approach selling strategy needs clear understanding of personal characteristics and need and the way to satisfy need. To begin with the need-benefit match is necessary to develop a sales strategy.

Business-to-Business Pre-approach Information Checklist

1. What is the size of the business?
2. What product lines do they sell and what markets do they cater?
3. Who are the responsible executives and key personnel in the firm?
4. What are the buying frequencies and procedures in the buyer organisations?
5. Who are the competitors?
6. Do competitors have any dealings with your firm?
7. From whom the buyers are buying now?
8. What are the levels of possible volumes?
9. Product is to be used by whom, where, when, and why?
10. What are prospects of developing future sales from the buyer?

Importance of Pre-Approach

Pre-approach is important for the salesman due to the following reasons:

1. A salesperson by means of pre-approach saves valuable time, effort and energy by concentrating on the prospects exclusively who are most likely to buy. In brief, one can distinguish between 'most likely prospects and general prospects' and confine his approach to genuine prospects by remaining selective.
2. Pre-approach makes the salesperson more confident and enthusiastic while meeting the prospects and putting forth the sales proposition before them. The confidence and enthusiasm is the cumulative result of the detailed background information about the prospects collected during pre-approach.
3. Pre-approach enables the salesperson to know beforehand about the needs and requirements of the prospects in the most detailed manner possible.

4. By pre-approach, the salesperson's knowledge about the prospects is considerably enhanced. As a result, serious lapses, vital mistakes by the salesman are automatically avoided. As the salesman has prior information about the financial status, likes, dislikes, tastes, and so on of the prospects, he is likely to commit least number of mistakes at the subsequent stages of sales presentation.
5. Salesperson who has all possible socio-economic information about the prospects is better placed in handling the prospects. Consequently, the salesperson can plan out the sales talk in advance and present the same on systematic lines for assured success.
6. At the pre-approach stage, the salesperson is able to gather all possible information about the prospects before hand. If the need arises, the salesperson can get advice and guidance from seniors and experienced colleagues for planning his approach on successful lines.
7. Pre-approach helps in saving valuable time, effort and energy of the salesperson in the best interest of the organisation in which he works.

Sources of Information in Pre-approach

There are pretty good number of sources of information which a salesperson can tap for his purpose of pre-approach in a successful manner. Each source is important and a wise salesman touches and taps each source. These are:

- 1. Fellow Salesmen:** Normally, the salespersons working in the same department have good and cordial relations and people depend on each other for mutual benefit that goes to the company or the organisation. Friendly relationship with others or other salesperson especially of non-company type help a salesman to add to the inventory of his information. It is done by mutual inter-change of information about prospects among themselves. Sometimes, even other salespersons may disclose some useful clues about prospects and their wants. Much depends on the salesperson to extract information from such friends and competitors. The only requirement is that the salesperson should have the ability to get the information and use it for his benefit and to the advantage of his organisation.
- 2. Customers:** Customers, particularly satisfied customers are most dependable source of information. Such a satisfied customer wants that his friends and relatives must also be satisfied on the recommendation. One takes pride in recommending. The satisfied customers readily give the information in terms of the likes and dislikes, income status, family composition and so on. A clever salesperson drives hard to learn useful facts from the satisfied customers about his friends and relatives.

3. Local Newspapers: News-papers are rich source of information with wide quality of information. It is unfortunate that some salesperson do not exploit this rich source of being. It is of immense assistance particularly to traveling salespersons. These sales persons are to carefully study the advertisements both general and classifieds. These ads give particular ideas of community's interests. Further, notifications are given with details for purchase and sale of products, which click, very often.

4. Directories: Directories provide a database, which is updated and detailed, classified information regarding professionals and non-professionals, individuals and business houses. Of late, publishers have come out with directories providing personal data of person's categories as professional and non-professionals, businessmen, traders, dealers, and the like. These may include service organizations and persons. Today, we have ready directories for each business which tell who is who and what is what? These directories depict the level of education, level of income, area wise spread, etc. That is, a salesman finds the names and addresses, area of specialisation achievements, social status, hobbies and such other details. Further, different industries try to publish data on executives and others employees of the companies within the industry. This provides a wealth of information that can be quite useful to the sales people.

5. Market Survey Reports: Market surveys are conducted by companies whenever they need data of a particular locality, with regard to product or service in terms of customer profiles. There are certain special magazines published by media owners - which regularly undertakes market surveys in case of different products for a particular period covering local, regional and national areas. The best example of this is FACTS FOR YOU published by KFY Private Limited of Delhi. The market surveys help the salespersons in getting the required information.

6. Special Investigators: Some of the selling houses do employ special investigators whose work is to visit the dealers and collect good deal of information about their requirements, particularly the consumer buying habits, purchasing power, occupation and the like. As it is a special and specific effort, it helps salesmen in two-way : (a) One can utilise his valuable time on straight sales calls and (b) the information collected is much detailed and reliable as collected by professionals who are paid for professional touch.

7. Office Records: The records in sales office and the findings of sales manager, the advertising and research sections prove of much value as they are relevant and reliable being authentic. They give locality wise detailed and classified information about prospects. It is possible to locate past customers to get their help in finding new customers. The mailing list of mail order houses is of this type where the organisations give one special gifts for giving new customers details. This information is rich enough to help the sales-people.

8. Dealers: Dealers especially retailers are the last link in the chain of distribution. These relations leave close contact with customers. They know their customers totally in terms of temperament, buying behaviour, profession, purchasing power, and so on. By contacting these relations, salespersons can contact good deal of information for the purpose of locating the prospects or customers.

9. The Prospects:A prospect himself is a source of information. In good many cases, information for sales is known only through prospect. It is a dependable source though some questions its validity practically. As salesman is there to solve the prospect problems. The prospect is motivated to give the salesman complete cooperation. The salesmen must not shy away about asking the prospect for ready information even though it may be purely personal or strictly confidential.

10. Personal Observation:Keen and meaningful observation on the part of salesman can be another vital source. As he enters prospects place of business, he can size up good many things. For instance, he can see as to what his competitors are doing. Assuming that prospect is a dealer, he can tell whether the prospect is enterprising by studying his stock display fixtures. His disposition can be known by relation with his sub-ordinates and with others who he comes in contact.

11. Data Surfing:On line, business is increasing. A salesperson can surf the data base of his choice where number of prospects are provided with all consumer dimensions at a point. He gets the latest information at length of prospects of his choice, which he can choose, and pick for his advantage. This works out to be cheaper and effective source of information.

12. Other Sources:There are other sources of pre-approach information. These are very practical sources. A shrewd salesman may use all sources. Thus, a prospect may visit a tailor or a barber for hair cut or a shave, or a doctor for treatment, and so on. He does not ask directly the prospect. However, he collects the information from the owners or managers of such places where he goes for one service or other. These persons or organisations may be travel agents, garment cleaners, green grocers, jewellers, petrol pump stations, garages and so on. All these sources appear quite petty but they are rich sources of information.

Knowledge Assessment – II

Fill in the blanks with appropriate words:

1. Before the salesperson presents himself for a sale, it is compulsory to develop a -----
-----by gathering customer data.
2. A salesperson by means of -----saves his valuable time, effort and energy by concentrating on the prospects exclusively who are most likely to buy.
3. Pre-approach makes the salesman more -----while meeting the prospects and putting forth the sales proposition before them.
4. Pre-approach enables the salesman to know -----about the needs and requirements of the prospects in the most detailed manner possible.
5. By pre-approach, the salesman's knowledge about the prospects is considerably-----.
6. At the pre-approach stage, the _____ is able to gather all possible information about the prospects.
7. News-papers are rich source of -----.
8. Today, we have ready -----for each reputed line of activity where one finds who is who and what is what?

9. There are certain special magazines published by media owners - which regularly undertakes market -----in case of different products for a particular period covering local, regional and national areas.

10. A _____ himself is a source of information.

{ANSWERS: 1.Sales Strategy 2.Pre-approach 3.Confident and Enthusiastic 4.Beforehand 5.Enhanced6.Salesman 7.Information 8.Directories9.Surveys 10. Prospect}

Session III Meaning of Approach

It is the extended part of pre-approach. 'Approach' involves meeting the prospect in person by the salesperson. It means coming in to direct contact with the prospects. It is the second step of the sales interview where the salesperson makes face-to-face contact with the prospect to understand him better. Success follows those salespersons who are in possession of courage, courtesy and also the ability to win confidence.

Here, the salesperson actually comes in contact with a prospect and the result would largely depend on his approach. Buyers often judge the quality of a salesman by the way in which the salesperson comes prepared. With this stand, the prospects will form their opinion that the salesperson has really something to offer. In other words, it is the salesperson who gets the attention of the prospect, motivates him or interests in the product or service and tries to continue that the product or service of his fits the frame of prospect. Approach is made on two stages namely, (a) an attempt to get an interview with the prospect and (b) getting interviewed with the prospect through fax/email.

Approach can widely be divided into:

(i) Approach by travelling salesperson selling to middlemen (intermediaries) and

(ii) Approach by the counter (retail) salesperson.

The division is necessary owing to the different procedures adopted by the travelling salesman and counter salesman in approaching the prospects. In fact, the approach of travelling and retail salesperson differ widely from each other.

Importance of Approach

Approach is one of the important stages in the selling process. It has been correct to say that a sale is won or lost during the approach. In reality, approach influences the prospects to keep their door either open or close for the salesperson or sale. During the first few minutes of the approach, the prospect decides whether he will buy or not.

Similarly, the salesperson is also likely to know whether the prospect is really interested in the product or not. The importance of the approach varies with the type of selling. For example, while selling cheap and necessary articles, the importance of the approach is comparatively less, whereas for selling costly and luxurious goods and services, the importance of the approach is very high. The importance can be explained as follows:

1. Approach is most vital for the success or failure of the firm because it directly contributes to increased sales or decline in sales.
2. Enhanced competition makes it imperative to focus on approach.
3. The approach increases the prospect's knowledge about the product or service and helps to take better decision.
4. Modern people are too busy that they have little time to know in detail about the products, new innovations, new features, latest developments. As prospects they are able to get all such information from the salesperson during the approach stage itself.

Methods of Approach

An approach is a method to get the prospect's attention and interest spontaneously to make smooth transition into next part of the presentation which is related about discovering more regarding the prospect's needs as each prospect and sales situation differ, salespersons adopt a viable approach or any combination of approaches to get better results. Knowledge of all these approaches is a must for every salesperson as each method helps in seeking better results. The methods of approach are:

1. Introductory Approach: Salesperson describes his name and his company's name and hands over a business card to the prospect in the introductory approach. This business card helps the prospect to remember the name and firm of salesperson. Prospect may not hear the name of salesperson because the prospect is busy in sizing up the sales person. Some salespersons think that a business card can be distracting and opine that giving their card at the end of the interview is more effective. The introduction approach is the simplest way to start a sales call. Introductory approach is used with other methods.

2. Referral Approach: Furnishing the name of a satisfied customer or a friend of the prospect can be the beginning of a sales call by salespersons. Salespersons present letters of introduction or testimonial often. The reference approach is often effective with prospects who are sociable and expressive because they emphasise on relationships. Salespersons should use only the names of those individuals and companies whom they would like the prospect to talk because prospects often contact these for reference. Successful salespersons always get permission from references prior to using them. Taking names and stretching the truth with regard to the third persons may back fire. The right contact may get the salesperson the door but it is his knowledge that gets and keeps the business.

3. Benefit Approach: It will be better to open sales call to fill the prospect's attention on a product benefit. For this approach to be better, the advantage that the product offers should be of real interest to the prospect. Unless the salesperson knows the prospect's needs either from pre-approach or from other visits, this approach does not work. Similarly, it has to be specific, something the prospect can actually realise and something that can be talked about during the presentation. This benefit approach is better for those who like to get down to business rather quickly.

4. Product Approach: The product approach means really demonstrating the product features and benefits as soon as the salesperson goes up to the prospect. The prospect is appealed both through audio-visual aids or through sales presentation alone. It is nice to hand over the product to the prospect for his use. This delivery shows deeper involvement. This approach can be better for the prospects who express directly.

5. Compliment Approach: One loves, or likes, if the prospect is praised. But, such an approach may be dangerous. Strictly speaking, undeserving frequent flattery is not liked by prospects. Therefore, in the compliment approach, the compliment has to be both sincere and specific. Sincerity relates to specificity. The salesperson should remember that compliment approach can hit other way also. One salesperson, while calling on elderly man, motivated him by showing a picture of a beautiful woman. The salesperson said that he had a beautiful daughter to which the buyer replied, "That is my wife!" It is better to talk on neutral topics unless one is sure of information. Compliment approach is effective for all personalities.

6. Question Approach: It is better to raise question right in the beginning of the conversation with a question. The question can be asked by stating an interesting fact in the form of a question. It attracts the prospect's attention, motivates a reply and starts two-way communication. Use of question approach can be more result oriented employed with other approaches like benefit or curiosity. To take full advantage of this approach, the question asked needs to be specific and created to the prospect's taste. These questions must be created around the buying motives.

7. Socratic Approach: It is extension of question approach. Under the Socratic approach customer is asked opinion keeping in view salesperson's product and prospect's own need. This approach is helpful as it emphasises on customer's needs and it is the consumer who takes lead of the meeting.

8. Curiosity Approach: Under this approach curiosity is raised. In this approach, the salesperson responds to the curiosity of the prospect. He may send a message card along with his visiting card. The message appears in a style that prospect immediately grants the appointment for an interview. Once the curiosity is aroused, the same can be used in interview. But, the

curiosity approach is not liked by some prospects who are not lured by curiosities. Thus, it has to be used with precaution.

9. Fear Approach: Fear appeals a lot. Everyone has a fear of one kind or other that may bring about monetary and non-monetary loss. It can be a fear due to old age, sickness, death insecurity, theft, depreciation, natural calamities, such as accident, storm, fire, flood, earthquake, tsunami and the like which have deeper concern to one's life. It is fear of loss that makes the prospect think and act accordingly. A salesperson selling both products and services can take full advantage. The concept of fear makes prospect to think of reality and tries to avoid the outcome on account of accidents/ unprecedented incidents. There cannot be better example than that of insurance in this age of uncertainty.

10. Showmanship Approach: Every prospect does not like showmanship. Salesperson may arrange different shows for different prospects. An enterprising salesperson can do to dramatise his approach when situation so demands. But, the approach may backfire and hence it is to be used in particular cases. The prospects from rural areas both men and women like showmanship.

11. Survey Approach: The salesperson conducts a survey about the prospect before approaching him. Survey is to find all about his needs and consumer behaviour. A survey in detail on his prospect replaces guesswork and imagination. As it is a detailed fact finding regarding a prospect, he can speak, present his ideas without any fear as has actually understood the needs and consumer behaviour of a prospect. Here, the salesperson acts like perfect astrologer or palm reader where he wins the heart of prospect giving some facts without being told by the prospect. Against the problem or problems, he offers solution or solutions.

12. Statement Approach: A salesman can open his talk with hard facts of achievements or benefits to the prospect. Such facts or benefits delivered upon the prospects have their own impact. Sometimes, these facts may declare statements about the product or what it can do for the prospect. Such statements are normally ended with a question seeking the prospects' reactions. Generally, these bring home quickly some strong facts in favour of product to the prospect.

Knowledge Assessment – III

Fill in the blanks with appropriate words

1. -----is the extended part of pre-approach.
2. 'Approach' involves meeting the prospect in -----by the salesperson.
3. In approach the salesman actually comes -----with a prospect what may happen would largely depend on his approach.
4. Approach is made on -----namely, (a) a sincere and honest attempt to get an interview and (b) getting through fax/email interviewed with the prospect.
5. It has been correct to say that a sale is -----during the approach.

6. The importance of the approach -----with the type of selling.
7. The approach increases the prospect's -----about the product or service like quantum of his advantages and functional or otherwise utilities.
8. Salesperson describes his -----and his company's name and hands over a business card to the prospect in the introductory approach.
9. The product approach involves demonstrating the -----and benefits as soon as the salesperson goes up to the prospect.
10. It is better to talk on -----unless one is sure of information.
11. Use of -----can be more result oriented if employed with other approaches like says benefit or curiosity.
12. Under the Socratic approach customer is asked of -----keeping in view salesperson's product and his/her own need.
13. Giving an impression of what rural persons are not really but their intention to appear bigger than life and -----creating.

{ANSWERS: 1. Approach 2. Person 3. In Contact 4. Two Stages 5. Won or Lost 6. Varies 7. Knowledge 8. Name 9. Product Features 10. Neutral Topics 11. Question Approach 12. His/Her Opinion 13. False Impression}

Summary

Personal Selling involves many steps, however, only three preliminary steps have been discussed in this chapter – Prospecting, Pre-approach and Approach. In prospecting one tries to identify the people to whom goods, services, ideas, information, places, properties and persons can be sold.

In pre-approach, a salesperson gets more knowledge about the consumer behaviour and his needs.

Approach involves meeting the prospect in person to have exact knowledge of what the customer wants.

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Questions

1. State in brief, with reasoning, whether following statements are correct or incorrect:
 - (i) Prospecting is the first stage of the selling process.
 - (ii) Prospecting is nothing to do with locating a prospective customer.
 - (iii) Prospecting like laying a foundation.
 - (iv) A good prospect is someone who has a problem your product can solve efficiently and cost-effectively.
 - (v) A good prospect has a goal your product can help to achieve.
 - (vi) Cold Canvassing is one of the methods of prospecting
 - (vii) A pre-approach selling strategy needs clear understanding of her personal characteristics and need and the way to satisfy her need
 - (viii) There are pretty good number of sources of information which a salesperson can tap for his purpose of pre-approach in a successful manner.
 - (ix) Directories provide a database of prospects.
 - (x) Name of a satisfied customer or a friend of the prospect can begin a sales call by salespersons in a better way.

{ANSWER: (i) Correct (ii) Incorrect (iii) Correct (iv) Correct (v) Correct (vi) Correct (vii) Correct (viii) Correct (ix) correct (x) Correct
2. Select suitable answer to the following questions
 - (i) Going after a cold call,
 - (a) It will be difficult to out rightly say no
 - (b) It will be difficult to out rightly say yes
 - (c) It will be difficult to say yes or no
 - (d) Not known
 - (ii) Telemarketing can be
 - (a) Inbound
 - (b) Outbound

- (c) Inbound and outbound
 - (d) Not known
- (iii) 'Bird dog' is the nick-name given to the persons who visit the houses at
 - (a) a definite interval
 - (b) Indefinite interval
 - (c) Not known
- (iv) A pre-approach selling strategy needs clear understanding of
 - (a) her personal characteristics
 - (b) her needs
 - (c) her personal characteristics and need and the way to satisfy her need
 - (d) Not known
- (v) A salesperson can tap for his purpose of pre-approach in a successful manner with
 - (a) Just one source
 - (b) Just two sources
 - (c) A good number of sources
 - (d) Not known
- (vi) Approach involves
 - (a) Not meeting the prospect in person by the salesperson.
 - (b) Meeting the prospect in person by the salesperson
 - (c) Nothing
- (vii) A pre-approach is important because
 - (a) A salesperson by means of pre-approach saves his valuable time, effort and energy by concentrating on the prospects exclusively who are most likely to buy
 - (b) Pre-approach makes the salesman more confident and enthusiastic while meeting the prospects and putting forth the sales proposition before them
 - (c) Pre-approach enables the salesman to know beforehand about the needs and requirements of the prospects in the most detailed manner possible.
 - (d) All of the above
- (viii) Approach can widely divided into:
 - (a) Approach by travelling salesperson to those selling to middlemen
 - (b) Approach by the retail salesperson.
 - (c) Both (a) and (b)
 - (d) Not (a) and (b)
- (ix) There is----- of methods of Approach
 - (a) Difficulty
 - (b) Abundance
 - (c) Problem
- (x) In referral method of approach
 - (a) Name of a friend is mentioned

- (b) Name of a friend, who is satisfied , is mentioned
- (c) Name of a relation is mentioned
- (d) Nothing is mentioned

{ANSWER: (i) a (ii) c (iii) a(iv) c (v) c (vi) b (vii) d (ix) b (x)}

3. Describe the ideal customer for the following products or services:
 - iPod Touch
 - Ferrari sports car
 - GEICO car insurance
 - Unnamed Publisher textbooks
4. Discuss the difference between a prospect and a consumer.
5. If someone goes into a Best Buy store and looks at the home theater systems, is he a lead or a prospect? Why?
6. Visit a local jeweler and shop for a watch. What questions does the salesperson ask to qualify you as a prospect?
7. Explain the process of selling.
8. What do you mean by Prospecting? What methods will you follow for prospecting in the sales of following products:
 (a) Cigarette (b) Wine (c) washing Machine (d) Industrial Lube
9. How can a salesperson encourage a prospect to continue to talk?
10. Give a detailed description of the preliminary stages involved in the Personal Selling Process.

	UNIT TITLE IV: ADVANCED STAGES OF PERSONAL SELLING PROCESS			
Unit Code	UNIT TITLE: Advanced Stages of Personal Selling Process			
Location: Class Room	Duration: Marks: 12			
	Learning Outcome	Knowledge Evaluation	Performance Evaluation	Teaching & Training Method
	Session 1: Demonstration & Presentation			
	1. Describe the stages in the process of demonstration and presentation .	1. Define and understand the concept of demonstration and Presentation. 2. Understand the Benefits of Good Demonstration/Presentation 3. Identify the essentials of good demonstration/presentation. 4. Comprehend the types of Presentation and their benefits	1. Identify a company and its product wherein demonstration is employed and give a detailed account of the of how the technique is beneficial to the organization. 2. Give a presentation for selling a Vacuum Cleaner.	Interactive Lecture: Discussing the concept of presentation and demonstration Activity: Go to a automobile dealer outlet and observe the process of presentation and demonstration the salesman employs to sell a car. Identify if there are differences in approach while selling high priced or economical cars.
	Session 2: Objection Handling			
	1. Understanding Objections, Procedure of Handling Objection	1. Define and understand the definition of objection and reasons for raising objections. 2. Identify the procedure of handling	1. Prepare a list of objections that a prospect can raise when purchasing a Refrigerator. 2. Enlist the ways the salesperson can employ to overcome objections.	Interactive Lecture: Explain the reasons for raising objections, and methods of handling the objections. Activity: Visit a mall and observe the common objections raised by customers

		objections. 3. To Comprehend the various objection handling methods. 4. Know the common objections raised by prospects.		while purchasing branded shirts.
	Session 3: Closing Sale: Techniques of Closing Sale			
	1. Closing Sales – reasons, pre-requisites and methods of close.	1. Comprehend the concept and importance of close. 2. Identify the reasons of failure to close. 3. Understand the pre-requisites involved in a successful close. 4. Analyze the techniques of successful close.	1. Identify at least three suitable products each against the methods employed for closing the sale.	Interactive Lecture: Explain the importance, features and various techniques of successful close. Activity: Visit a mall and observe at least five sales person in different stores and list the method employed for closing the deal.
	Session 4: After Sale Services			
	After sales service, its importance and steps in after sales service.	1. Understand the concept and importance of After sales Service. 2. Explain the steps involved in the after sales service.	1. Identify the steps undertaken by an automobile manufacturer in providing after sales service. Prepare a list of applicable terms and conditions.	Interactive Lecture: Discussing the concept, importance and steps in after sales service. Activity: Interview at least five sales person and ask them the widely used methods in the aftersales service of consumer durables.

SESSION 1: PRESENTATION AND DEMONSTRATION

The fourth step in the selling process is presentation. Without doubt, it is the most important part of the sale which provides an opening to the salesman to present his product physically before the potential buyers. The previous stages of sales process like prospecting, pre-approach and approach are necessarily intellectual processes through which the buyer is made to pass by the salesman. At the stage of presentation and demonstration, the prospective buyers are presented with the products physically and demonstrated with the functions of the product and how it would be helpful for them.

PRESENTATION

Presentation means appropriate collection and decoration of the products so as to enhance the number of prospective buyers to the shop. It also includes the interior decoration of the shop, an eye catching display and the proper placing of the products on the counter. Effective presentation is vital in selling goods because customers generally visit a counter attracted by the goods displayed in the shelves of the shop. Proper presentation of the goods is important for creating and holding the interest of the consumer for the products. Effective presentation attracts customers to come into the store, just to have a look at the goods attractively displayed, even without the intention of purchasing. Sometimes, a well-planned presentation compels such customers to take a favorable decision in favour of the purchase.

Some people who are aware of their needs and effective presentation helps such people to become aware of their needs in specific terms and precise manner. If goods are properly arranged and displayed in the shop, the customers are automatically attracted towards the products and their latent needs are activated. Usually customers compare various articles and their respective features before they actually buy the product. In fact presentation provides them an opportunity to compare and choose the best product to suit their specific need. Hence it is essential for a salesperson to understand customer needs first and thereby identify the methods of sales presentation that can be employed effectively. The factors to be considered include:

- (a) Knowing the buyer's needs,
- (b) Identification of sales presentation methods (or strategies), and
- (c) Developing an effective presentation.

Knowing the buyer's needs

The best way to recognize the prospect's needs is by asking as many questions as possible. According to Neil Rackham salespeople must ask questions in a logical order and they should comprise of:

Situational questions: These questions are about the prospect's present situation or any other additional information the salesperson desires.

For example, who are the influencers in buying decision making for this product/service? Or are you buying this product/service for the first time or changing the existing brand ?

Problem identification questions: Salespeople ask these questions to discover the customer problems, difficulties, or needs.

For instance, Have you experienced any problems related to price or delivery from the existing retailers? Or which parts of existing system are non-functional?

Problem impact questions: Salespeople pose these questions to make the buyer understand the impact or consequences of the problem and the need to address the problem. These are main questions and the salesperson should ask as many as needed.

To illustrate: What impact the delivery problems will have on cost and customer satisfaction? Or what impact a faulty system will have on customers?

Solution value questions: Salespeople ask these questions to help the buyer evaluate the significance or utility of a solution.

For example, if the product is purchased, how much time and effort can be saved? Or how is that time can be put to best use?

Confirmations questions: Salespeople pose these queries and provide the requisite evidence to prove the worth of their products.

For instance, it has been certified by competent agency that the power consumption of this refrigerator is far low in comparison to other brands.

It is recommended that salespeople put fewer situational questions and more questions on problem identification, its impact, and offer better solutions to the prevailing problems for effective handling of prospects.

Activity 1

Visit a Retail outlet and give your requirement regarding a product and observe how the sales person interacts with you and state the information he tries to seek from you. Submit a report regarding the questions he asked and state whether he was able to identify your need and provide a suitable product. Also list out the qualities he possessed to be and whether he was an effective salesperson.

Identification of sales presentation methods

Salespeople must know the various methods (or strategies) used for making a sales presentation. These are:

- Stimulus response method,
- Formula method,
- Need – Satisfaction method,
- Features Advantages Benefits Selling (FABS)
- Team selling method, and
- Relationship Selling

Stimulus response method:

It is also called as canned approach, a memorized sales presentation, or a prepared sales presentation. This method believes that if a salesperson makes the right sales presentation ie stimuli, he can obtain a positive response from the prospect. In this method the salesperson does most of the talking. Without enquiring the needs of the prospect, the salesperson lists out all the features of the product and asks the prospect to purchase the product. If the prospect fails to buy, repeated attempts are made to sell the product. This method is predominantly used by telemarketing people, door-to-door salesperson. It is also employed to train new salespeople, when the time for sales presentation is short, and the product is non-technical. However, this process is ineffective for complicated or urbane prospects. The major error in this method is that the sales person does not understand the needs of the prospect by asking him questions and listening but rather provides information about the product features and benefits, which may not be important to the buyer.

Formula method:

This method is also based on stimulus response thinking and is also known as ‘formulated approach’ or ‘mental states selling’. The sales person believes that most buyers can be led through mental states or steps in the buying process and hence uses a well-known formula. It has four stages: Attention, Interest, Desires, and Action (AIDA)

Attention. The sales agent plans the sales talk by first securing the attention of the prospect by making positive comments about the prospect or the prospect’s business. Favorable first impression is also created by attire and cheerful disposition. The objective of initial meeting is to put the prospect in a open state of mind. It is always advisable for a salesperson to take a prior appointment with the prospect and devote the first few minutes to make the prospect comfortable by choosing the right opening lines.

Interest. The salesperson leads the prospect’s mind to the next stage of securing the interest. In other words, the salesperson identifies the features of the product or services that appeal or attract the prospect the most. Different methods are used to unearth the prospect’s interest or appeal. On certain occasions salespeople may also carry a sample of the product, or the product, if it is not bulky, for showing or demonstrating to a customer. Some might send mailers; carry visual aids like CD, the product leaflet, or the product photographs. Successful salespeople ask related questions to understand the buyer’s needs or problems as well as to identify the strongest appeal or interest.

Desire: The objective in this phase is to awaken feelings in the prospect of wanting to experience the product or the service. The salesperson carries on with the sales presentation and demonstrates to the prospect how his/her product or service can solve the buyer’s problem. In this process, the buyer may raise some objections, which need to be addressed appropriately. At certain times, salespeople face the problem of external interruptions like prospects getting busy on phone calls. In such cases, it is advisable that the salesperson recapitulates what has been said earlier and goes on to continue the sales presentation.

Action: The action, in this stage, means buying the product/service. Some salespeople use trial close to test whether the prospect is ready to buy. If the prospect agrees to purchase, then the salesperson invites for the order. If the prospect disagrees, the salesperson continues with the presentation to convince the prospect about his/her proposal.

The advantage of this method is that the salesperson has to plan the sales presentation and understand the customer's mental stages. The disadvantage is that if the customer's needs are not understood and the method is less effective.

Need-satisfaction method:

This method is most challenging and a creative form of selling. It is an interactive sales presentation, and different from the previous two methods. The salesperson starts with understanding the buyer's (or the prospects') needs' by asking situational, problem recognition, problem impact, solution value, and confirmation questions. After thoroughly understanding or investigating the needs/problems of the buyer, the salesperson gives a written proposal or gives a sales presentation to depict how his/her product or service can provide solution to the buyer's problem better than that of a competitor

The diagram below shows the step by step process of need satisfaction selling:



1. Open: At this stage the salesperson opens his presentation to the prospect to begin the selling process.
2. Probe: In this stage the salesperson invites questions from the prospect and understands his needs completely.
3. Support: The salesperson supports the needs of the prospect and further tries to identify unstated needs too.
4. Close: The salesperson offers a value proposition to the prospect which might satisfy his needs and closes the transaction.

The method is beneficial when the sales person convinces the prospect effectively and it results in the prospect buying the product. This approach can also help in building customer trust and loyalty.

For Example: Tata Sky Set Top Box Providers follow the need satisfaction approach. They have various packages so as to meet the needs of varied customers. The packages can be obtained through recharge on a daily, monthly or annual basis. The customers also have a choice in selecting the channels they intend to view and pay accordingly.

Features Advantages Benefits Selling (FABS):

The salesperson tries to integrate all the features of the product/service to an advantage or a benefit which in turn are considered important by the customer. The prospects normally ignore about the products or services offered to them even when the product or service might be the best match to their needs. They keep ignoring the product or service till the time they find one with explicitly known benefits or advantages to themselves. Thus, FABS also assists in increasing the effectiveness of the advertising message. The three important components of this selling technique are:

- **Features:** The salesperson describes the features or characteristics of the product, service, or market offering.

For example: An important feature of a sleeping bag is – 2 inch insulation layer

- **Advantages:** The salesperson describes how the feature can help or give advantage to the prospect.

For example: The 2 inch insulation layer helps in retaining the body heat during nights an advantage of the sleeping bag.

- **Benefits:** The salesman then describes how the feature or advantage meets a clear and detailed need expressed by the prospect. When a prospect states the benefit, it becomes a powerful statement that can be used by the sales person effectively for making a sale
- For example: The sleeping bag's 2 inch insulation layer will help a customer to sleep comfortably at night, when the he/she goes on camping. Thus, they can have a sound sleep and be ready for fun activities everyday.

Team Selling Method:

Team selling involves using multi-person sales teams to deal with multi-person buying centres of their customers. A team approach permits for continuous learning as the members can work together and identify the flaws during the presentation process. They can also identify the features that can be added to the sales pitch.

For example: A software company X, has to sell software to a bank, in this the team will involve people responsible for installation, automation, technical support for customers etc.

Relationship Selling Method:

Relationship Selling is about building a friendship or relationship with the prospects and listening to their needs. It is built when the sales person shows care, earns their trust and confidence. Knowing the needs and finding out their secret fears can assist in finding solutions for them that are exactly on-target with their needs and build an even stronger relationship. With

a relationship in place, working out details is easy while they may turn into obstacles if one does not share a cordial relationship.

In relationship selling, the sales person becomes a form of support for the clients. The services or products become something they depend on, and if the products of the company suit their needs they respond with additional offers. It is a boon to the companies who operate in competitive markets.

TYPES OF SALES PRESENTATION

1. **CANNED PRESENTATION:** It is a presentation where the presentation script is written after thoroughly understanding the product and the requirements of the customer. It is also tested before finally rolling it out. Every salesperson must memorize it and follow the script of the presentation in the prescribed order. This is most often used in non-technical products like pharmaceuticals, telephonic selling and door to door selling of products.

The common problem with this technique is that the prospect views it as high pressure selling as he has limited participation and therefore postpones taking a purchase decision.

2. **PLANNED PRESENTATION:** The presentation is carefully planned and organized and has a personal touch while the individual is making the presentation. The organization provides a basic format or procedure for making the presentation and the individual sales person then writes the script which includes description and illustrations.

This method includes more conversational form and every sales person adds creativity to make it less monotonous. It also provides an opportunity to interact with the prospect and clear his doubts.

3. **AUDIO-VISUAL PRESENTATIONS:** The presentations are made with the help of audio visual aids like charts, slides, video films, computer based presentations which depict the actual use of the product. It is felt that people understand the concept/ product better and retain information when they see and hear in comparison to just listening or seeing the product. Hence the audio-visual tools are more popular. The sales person takes a back seat and prospect's attention is focused on the information provided through these audio-visual aids. They are widely used by advertising firms, software companies, real estate companies to name a few.

4. **PROBLEM SOLVING PRESENTATION:** This type of presentation includes two stages. The first stage is to understand the needs of the individual prospect and the second includes offering a solution. Commonly used in the insurance sector where based on the requirements or needs of the prospect a specific policy is suggested. The same can be seen in the case of automobile purchase too. Sales persons employ this method for high technology products.

The sales person selects the appropriate method based on the customer and product requirements.

BENEFITS OF SALES PRESENTATION

1. **FACE-TO-FACE:** It provides an opportunity to interact with the customers/prospects in person. It helps in building trust and strengthens bond between the salesperson/organization and the customer/prospect.
2. **ENGAGEMENT:** It aids in engaging the audience. The audio-visual aids can help in gaining the attention of the audience and create a larger impact than just speaking, enhancing the level of engagement.
3. **FLEXIBILITY:** The presentation provides an opportunity to alter the content and customize it for different audiences. The requirements of the client can be taken note of and the presentation can be modified accordingly.
4. **CONSISTENCY:** It helps in ensuring consistency even when different sales persons communicate information to the customers/prospects. The presentation provides a basic structured framework for interacting with customers regarding products or services. It also helps the presenter in emphasizing on the essential features/points.
5. **VERSATILITY:** The presentation can be used in various types of presentation be it in the face-to-face meeting, large meeting or Webinars. The content can be the same but it can be delivered at various platforms either to individuals or in a group

ESSENTIAL FEATURES OF GOOD PRESENTATION

There are certain essential features of good presentation. They are:

1. Arousing interest
2. Prompt presentation
3. Clarity presentation
4. Displaying approvals and quantity and quality
5. Demonstration
6. Appealing to Senses
7. Conducting Tests
8. Handling goods

1. Arousing Interests

At the start the salesman has to arouse the interest of the customer. He can describe the special features of the products i.e. durability, composition, etc. so as to arouse the interest of the customer about the product. Generally articles in vibrant colors and attractive shapes and sizes attract customers more. However, to arouse the interest of the customers, the salesman should emphasize on the distinct features of the products called unique sales propositions (USP).

2. Prompt Presentation

The salesman should always be prompt and alert. He should be prompt in presenting the goods to the customers who indicate his eagerness and willingness to serve. Such an attitude of the salesman creates a positive impression in the minds of the customers and their response is instant and favorable. The salesman can be quick and smart, provided, he has complete product knowledge.

3. Clarity Presentation

The salesman's presentation should be clear and complete in all aspects so as to win the confidence of the customers. A high level of clarity in the sales presentation removes all possible doubts about the product from the minds of the prospects. A lucid and elaborate presentation does not allow the prospect to think about the competitive products. The salesman, therefore, should explain the use and operation of the product along with its price, durability, benefit and special features, if any. In case of bulky articles, presentation can be done through models and pictures. At times, the customers should be allowed to touch and feel the product themselves. This enhances the confidence of prospects. For example, in case of eatable like fruits, sweets, biscuits, etc. small portions or free samples are given to the prospects for taste so that they can satisfy themselves about the quality of these products.

4. Displaying Appropriate Quality and Quantity

The salesman must show the appropriate goods of exact size and quality as desired by the customers. Sometimes, customers ask about a particular brand or quality of an article. An efficient salesman always displays the brand or quality of an article the consumer wants. Sufficient variety of goods when shown to customer will enable him to make his choice out of them. It should be noted that showing too many varieties can create confusion and showing too few varieties may not be sufficient to convince the customers.

5. Demonstration

The salesman can attract the interest and arouse the desire of the customer in a better manner if he demonstrates or shows the features of the product to the customers. Proper demonstration definitely creates a favorable impression in the minds of the customers because demonstration is an important feature of a good presentation. By demonstration, the interests of the customer increase considerably because oral presentation at times fails to convince the prospect properly.

Therefore, to convince the customer effectively the sales person can effectively, dramatize the demonstration of the product. The dramatic demonstration of the product or service remains very effective and impressive and the customer remembers and understands such messages for a long time.

6. Appealing to Senses

It is essential on the part of the salesman to see that the way he presents should be appealing to any one or more of the five senses i.e., sight, touch hearing, smell and taste. A demonstration should appeal directly to all or some of these senses of the customers and ultimately creates a desire to possess them. In case of consumables, it can be seen, touched, smelt and tasted. Once the product is found to be appealing to one or more senses of the customers, it can easily be sold.

7. Conducting Tests

Tests conducting on the products increase the confidence level of the prospects considerably. The salesman can suggest various common tests of the product to prove its claim and superiority.

8. Handling Goods

Action speaks more than words. Therefore, the salesman should handle the product himself as well as allow the prospects to handle the product. Prospective buyers may have a strong desire to handle the product before the actual purchase is made. This is universally true. By handling the product himself, the prospect ensures that the product is worth processing and worth in price and claims. By allowing the customer to handle the product, the salesman appeals to the sense of touch and sight.

Activity 2

Prepare a Sales Presentation for selling of Insurance Policy. Give a detailed account of information that you would include if the policy is a Life Insurance Policy and the target audience is service class in the age group of 25-30 years.

Matching presentation methods with situations

The salesperson should understand the sales situation and then use a suitable method of presentation. This makes the sales presentation more effective, resulting in better sales performance.

Different methods of sales presentations and appropriate situations are shown in the table below.

Matching Sales Presentation Methods with Sales Situations

Sales Presentation Methods	Suitable Sales Situations
Stimulus – response method, canned approach, or memorized sales presentation	Suitable when selling time is less and product is simple or non-technical. The method is used by salespeople with less experience as it gives them more confidence. Used for door-to-door or telephonic selling.
Formula method, formulated approach, or mental states selling	In straight rebuy or repeat purchase situation, when the customer is familiar with the products or services of the salesperson's company or when the salesperson is aware of the buyer's needs, this method is appropriate.

Need – satisfaction method	It is a creative form of selling, suitable for selling industrial products, or consumer durable products, where the salesperson has to understand the prospect's needs first.
Team selling -Problem solving method	For selling high-cost technical products or services like computer hardware and software, power transformer and furnace, this presentation method is used to present to a group of individuals, using team selling approach.

DEMONSTRATION

Demonstration includes the pointing out of quality and features of the product and providing them with certainty through display, trial or test. By demonstration, the customer observes functioning details of the product himself. The salesman through sales presentation provides the requisite information regarding the product and its features to the customers, while the demonstration helps him convince the customer practically as he goes through the operations of the product and the service it renders. This act might help in strengthening the customer take a decision in buying the product.

Significance of Demonstration

A good demonstration provides a number of advantages. Some of the important aspects of demonstration are as follows:

1. Demonstration gives the salesman a chance to show specific features of the product or service more clearly, For example, in case of a vegetable chopper, demonstration is more effective than the description.
2. It creates a lasting impression in the minds of the prospective customers as they see the functions of the product or handle them personally.
3. Demonstration provides an opportunity of proving the product claims. The salesman can provide proof for the claim through a series of tests, experiments and operations. Thus, increasing the confidence of the prospective buyers.
4. By proper demonstration, the customer's sense of inquisitiveness about the product is considerably satisfied. As a result, the salesman can also complete his task more effectively.

5. It helps in focusing attention of customers on the satisfaction and utility that they will be deriving out of the ownership of such products, rather than on sales resistance.
6. It also provides a chance to the prospects for making comparisons with the competitor products.

Essential of a Good Demonstration

There are certain essential elements which help to make the demonstration more effective. Important elements of a good demonstration:

1. The product to be demonstrated should be available for displaying its features. The demonstration should be easy and clear to understand. If possible, the salesman should use the local / regional language to make the prospects comfortable during the sales talk.
2. Demonstration of the product is highly effective for pointing out special or specific features. For example, when a person wants to purchase a TV, the salesman operates all the functions by himself or allows the customer to operate and verify the essential functions. This helps the salesman in proving the claims made during the process.
3. When the demonstration of the product is not possible, testimonials or lab reports are shown to the prospect. This method is used in case of industrial products/bulky articles for which live demonstration is not possible
4. Demonstration facilitates comparison of various features and advantages of products thereby enhancing the superiority of a particular product over others easily.
5. A clear and detailed demonstration displaces possible doubts from the minds of the customers. Nothing should be hidden from the prospective customers, so as to build relationship. The precautions (if any) to be taken should be explained. In fact, clear demonstration enables the salesman to win the confidence and ultimately the conviction of the prospects.

Types of Demonstration

There are two types of demonstration, namely,

- (i) Demonstration in use and
- (ii) Demonstration of a specific feature.

(i) Demonstration in use

The most effective form of demonstration is to show the product while in use. In fact, customers usually like this form of demonstration so, in order to win the confidence, the salesman can allow the customers to personally examine and use the product. For example, while selling readymade garments, footwear, jewellery, etc, the salesman may ask the customers to try the product and look for themselves and be satisfied, before actually selecting one because if the customers find the product meeting to their choice and requirements, they may intend to purchase the product immediately.

(ii) Demonstration of Specific Features

There are certain products which have special features while for some products a full-fledged demonstration is not possible. In such cases, their special features and additional advantages can be demonstrated. For example, un-breakability, leak-proof, waterproof, fire-resistant, shock-absorbent, wrinkle free, microwaveable and other such features of products can easily be demonstrated with special emphasis on the specific aspects. Such specific features of the product go a long way in convincing the prospects.

Activity 3

Prepare a list of five products each wherein demonstration in use and demonstration through specific features can be followed

KNOWLEDGE ASSESSMENT 1

Fill in the blanks with appropriate answers:

1. _____ means appropriate collection and decoration of the products so as to enhance the number of prospective buyers to the shop.
2. Salespeople ask _____ questions to help the buyer evaluate the significance or utility of a solution.
3. _____ is also called as canned approach, a memorized sales presentation, or a prepared sales presentation.
4. _____ has four stages: Attention, Interest, Desires, and Action (AIDA).
5. _____ method is most challenging and a creative form of selling.
6. The salesperson tries to integrate all the features of the product/service to an advantage in the _____.

7. Team selling involves using _____ sales teams to deal with multi-person buying centres of their customers.
8. Relationship Selling is about building a friendship or relationship with the _____ and listening to their needs.
9. The salesman's presentation should be _____ in all aspects so as to win the confidence of the customers.
10. Prospective buyers may have a strong desire to handle the product before the _____ is made

[Ans: 1. Presentation 2. Solution value 3. Stimulus response method 4. Formula Method 5. Need-satisfaction method 6. Features Advantages Benefits Selling Method 7. Multi-person 8. Prospects 9. Clear and Complete 10. Actual Purchase]

SESSION 2: OBJECTION HANDLING

INTRODUCTION

The process of selling consumers is considered challenging only when the prospect raises objections. If objections are not raised, the salesman ends up being an order taker. Experts opine that objections give rise to the selling process, thereby testing the effectiveness of sales person & also enable the salesman to prove his point and amongst the customers without taking the buying decision. It has been rightly pointed out that without handling objections the salesman cannot sell anything to the prospects. Therefore, the success of a salesman depends on how well he handles objections efficiently and tactfully. Hence, raising of objections are normal and common from the point of view of the salesman.

DEFINITION

An objection is the expression of disapproval of an action taken by the salesman. In other words, objections are the feelings of disapproval or dissent raised by the prospects, suggesting the dilemma of the prospect regarding the purchase. It also points out that the prospective customer is in need of additional information to convince and persuade him to take a decision. It is the duty of the salesman to remove all possible doubt and confusion from the mind of the prospects which gives rise to objections. This objection is also being termed as sales resistance.

REASONS FOR OBJECTION

There are a number of reasons put forth by the prospects behind objections. Some of the important ones are:

- People normally display resistance to new and unfamiliar ideas and goods. Therefore, many consumers raise objections in the normal course.
- Certain prospects raise objections as they are not 100% sure about the product or service offered, i.e, they are only partially satisfied and are waiting for more explanation, classifications, additional features about the sales proposition.
- Some prospects also raise objections to test the salesman's knowledge and patience.
- Under certain instances the prospects raise objections either to postpone buying or because the prospects lack the required purchasing power.
- Prospects raise objections if the salesman is unable to identify their need or if they come across the salesman pressurizing them or using unfair means to sell the product.
- Some prospects find objections as a means to avoid salesman.

OBJECTIONS AND EXCUSES

Objections can be real concerns or in-genuine ones only to use them as an excuse for not making the purchase. Genuine objections are usually expressed after listening to the sales presentation. In case of real objections, the prospect seeks answers to his objections from the salesman and it is not done to offend the salesman or to defer purchase. Rather, prospects raise objections to better comprehend the sales proposition. Prospect puts a query to seek answer & identify if the product / service suits to his requirement. The objections may be regarding the quality/price/after sales service of the product/insufficient information provided by the salesperson.

In the case of false objections often termed as 'excuses' are raised just to evade, defer and avoid the purchase. Suspects or on-lookers usually raise excuses because they do not intend to purchase. Such excuses are raised usually during the course of the sales talk and might end up with a promise of getting back for the purchase after discussion with family /friends or with colleagues etc.

Activity 4

Enlist five common objections raised by customers while purchasing mobile handsets.

HANDLING OBJECTIONS

Salesmen sometimes get discouraged when the prospects raise objections because they consider objections as 'refusal' to buy. They feel that the negative attitude is exhibited through objections and the prospects are not going to purchase or they would avoid the sale. But this inference on the part of the salesman is unfounded. It should be understood that unless the prospects are interested in the product / service they hardly bother to raise genuine objections. In fact, they are an integral part of the selling process and should welcome objections and take them positively. The salesman should never shy away or avoid objections.

Objections should be considered as an opportunity to the salesman to explain more clearly and describe in detail, removing all possible doubts arising in the minds of the prospects regarding the benefits and advantages of a product or service. It also helps the salesman understand the prospect more clearly. Raising of objections makes the salesman pitch for his product in a more systematic manner and in the way that suits the prospect.

Meeting objections are not easy as it needs vast experience, high intelligence, and immense patience on the part of the salesman to successfully clear the objections of prospects. But if an objection can be anticipated beforehand, the salesman can easily clarify the same.

PROCEDURE FOR HANDLING OBJECTIONS

Overcoming objections is one of the crucial and delicate stages in the selling process. The success of a salesman depends to a great extent on the successful handling of objections raised by prospects. There are certain techniques which are helpful in successful handling of objections. Following are some of the important techniques:

Listening Intently,
Handling Softly,
Foreseeing objections,
Agreeing on valid objections,
Preventing objections.

1. Listening Intently

In the initial stages, the salesman should listen to the prospect attentively. It is quite important for the salesman to carefully follow what the prospect states without any interruption. A patient hearing proves to be of great help to the salesman. This may bring down the necessity to raise objections. The salesman is also able to understand the objections in their right perspective. In addition, sufficient time to raise objections must be allowed and direct confrontation with the prospect during this talk should be avoided.

2. Handling Softly

This technique works as shock absorber and lessens the intensity of objection. The salesman reduces the force of the objection considerably, by making it light. For example, he can invite a third party to act as the neutral judge, and seek his unbiased opinion. This soothes the objection of the prospect and helps the salesman to establish his views before the prospect. Sometimes, it might become essential for the salesman to agree with the prospect's objection, to a certain limit.

3. Foreseeing objections

One of the most effective methods of meeting objections is to anticipate them in advance and answer them before they are raised by the prospect. An intelligent salesman usually takes care of all possible objection points to be raised by the prospect and their possible answers during his sales talk thereby leaving no room for any ambiguity.

4. Agreeing on valid objections

A good salesman always welcomes valid objections and accepts them. However, valid objections are overcome intelligently by the salesman so that the prospect is completely convinced. For example, when a prospect complains about the high price, the sales person may admit it. But he can overcome by pointing out that good quality and durable articles are always high priced. Thus, the salesman requires a lot of skill and tact to answer such objections.

5. Preventing objections

All objections should be met with tact and in defensive manner. In some cases, where the salesman cannot meet the objections reasonably, he can humbly seek the permission of the prospect to clarify his doubts another day. He can praise the prospect for raising a valid point and make the prospect gratified. But all possible efforts should be made to take care of the objections. Usually this leaves little doubt in the minds of the prospect about the salesman's honesty regarding the sales proposition. While overcoming objections, the salesman should never be annoyed and must be very tactful to handle the objections.

OBJECTION HANDLING METHODS

Despite all the care, caution and adoption of all precautionary measures during the sales talk, the salesman can never ensure that prospects will not raise objections at all. Raising of objections by the prospects is an integral part of the sales process. The salesman should always treat objections as an opportunity to present his sales propositions in a refined manner. Sometimes, the prospect raises some unexpected objections that even the most intelligent salesman fails to anticipate. However, once objections are raised they ought to be clarified. A salesman in fact, cannot escape the responsibility of meeting or handling objections raised by the prospects, since it has to be done for mutual benefits.

There are several methods of handling objections. A few important methods are discussed below:

1. Direct Denial Method

Normally a salesman should avoid confrontation or contradiction with the prospects. However, at times, it is essential to do the same while meeting objections. As the name implies, in this method the prospect is told that he is mistaken. This method is an offensive form of handling objections. Therefore, there remains a greater possibility of offending or hurting the feelings of the prospects. This is particularly true when the customers are sensitive and belong to the fairer sex i.e. ladies. Therefore, this method can be used only in select cases while meeting objections. This method can be used successfully only when the prospects are broad minded and frank.

2. Indirect Denial or Yes.... But Method

This is one of the most popular and widely used methods of overcoming objections raised by the prospects. It is also often termed as side-stepping method. Under this method, initially the salesman agrees with the objections raised by the prospect but subsequently differs in a humble and polite manner. No doubt, most people hate to be contradicted or denied on their faces but can be conquered through convincing. This method suits such situations. This method is popularly known as ‘Yes.....but method’ or ‘you are right but,. Method’ or ‘I agree but method’.

3. Reverse Position Method

This is also known as ‘why method’ or ‘question method’. Under this method, the salesman asks the prospect questions relating to the objections raised such as ‘why’ and ‘what do you really mean, madam?’ In other words, the prospect is asked to elaborate why he thinks so. The prospect when confronted with such a question not only hesitates to raise further objections but is also compelled to answer the objection raised by himself. He then tries to justify or accepts the proposal of the salesman.

4. Boomerang Method

In this method, the objection of the prospect is converted into a reason favorable for purchase. This method is also known as ‘translation method’ because it converts the objection in the minds of prospects into a reason for making a purchase. In other words, when the prospect raises an objection, the salesman pitches and converts the objection into a strong reason for making the purchase. For example, the prospect may raise an objection about the price of the product saying price is too high. The salesman can counter saying, the manufacturer provides a three year extended warranty along with after sales services. He can inform about the discount and other related services associated with the purchase. It requires accurate and thorough knowledge of the product and its selling points. Only skilled and experienced salesmen normally employ this method successfully in meeting objections.

5. Superior Point or Compensation Method

In this method, the salesman frankly admits the validity of the objection raised by the prospect, but simultaneously, offsets the objection by a superior point of greater advantage. In other words, the salesman points out an advantage which is supposed to compensate the objection. For instance, when the prospect raises an objection that, the shirt does not seem to be of high quality the salesman agrees with the prospect but also adds that if the product was of high quality, the price would have been considerably higher thereby justifying low price compensating the low quality.

6. Interrogation Method

This method has similarity with the reverse method. Under this method, the prospects are asked questions tactfully so that their objections are answered by themselves. For example, a prospect may say that he wants to buy a low priced pen. In this case the salesman can put a question to him asking whether he would like to buy a use and throw away pen or wants a pen that lasts longer.

7. Pass up Method

Under this method, the salesman clearly passes up most of the objections. The salesman just smiles or merely shrugs his shoulder or uses any other method to avoid answers to objections raised.

SOME COMMON OBJECTIONS

There are certain common objections which are usually raised by the prospects. These common objections are as follows:

1. Price objections

It is the most common objection raised by the prospects in a country like India. It is an economic excuse. Objections based on price may be of two types, one the prospect may state that he feels that he cannot afford or that the price is too high. However, this objection differs from person to person. Some prospects may object that the price of the product is not on par with that of the neighboring shops in the market.

- a. Offer substitute** The salesman can offer substitutes that are comparatively cheaper. For example, Santoor soap can be suggested in case of Dove or Pears.
- b. Justify the price** The price can be justified by the salesman by explaining about the quality, utility and durability of the product and also can be compared with competitor products to justify the price charged.

- c. **Offer discount** When some prospects raise objections about the price, the salesman offers discount to them so that they buy the product or service.
- d. **Offer installment payment** The salesman can also offer installment payment facility to the customer who plans to pay the price in EMI'S.
- e. **Price factor can be avoided** Sometimes the salesman can avoid talking about the price when the customer raises objection instead focus on the benefits no product offers vis-à-vis the price paid.
- f. **Display evidence** In the form of Certificates, authentications, laboratory reports, research findings, expert opinions, etc. to meet objections. Sometimes, the quality objections of the product can be met through 'NO QUESTIONS' asked, return policy, if product found unsatisfactory or unsuitable.

2. Payment Objection

At times, customer may object to buying because of inadequate cash to pay the full price of the product. It may be genuine or sometimes used as an excuse. In genuine cases salesman can offer credit through EMI'S. The product can be taken while the payment can be made later through Equated Monthly Installments.

3. Service Objections

The salesman while meeting objections related to service has to emphasize the service facilities offered by the organizations are 24x7x365 call centers to register complaints, prompt service by expert service personnel, immediate delivery at doorstep, prompt attendance of service or repair calls within 24 hours etc. and pleasant service experience.

4. Time to Buy Objection

This is another important objection. Some prospects may postpone the time of purchase by citing the reasons of arrival of new models, waiting for festive occasions or waiting for prices to drop. In such objections, the salesman tries to emphasize on the value of time and induce them to purchase immediately, by stating that the prices would increase in the near future or the model would arrive after a considerable time.

Identifying the reasons for raising objections and ensuring that the appropriate method is selected will enable the salesman & prospect achieve their objectives. Thus, while applying a particular method of overcoming objections, the nature of the objection as well as the prospect and the experience and intelligence of the salesman handling the same are extremely important. Therefore, no method can be considered comprehensive and all pervasive. The success of a particular method of meeting objections depends to a large extent on the apt handling of the situation by the salesman.

Activity 5

Visit a large retail outlet and enquire with at least five sales person and identify the most popular method they employ to overcome objection and the reasons associated with it.

KNOWLEDGE ASSESSMENT 2

State whether the statements are True or False:

1. An objection is the expression of disapproval of an action taken by the salesman.
2. Objection is also being termed as sales resistance.
3. Prospects raise objections when they are 100% sure about the product or service offered.
4. Some prospects find objections as a means to avoid salesman.
5. Salesmen are encouraged when the prospects raise objections.
6. Meeting objections are not easy it needs vast experience, high intelligence, and immense patience on the part of the salesman.
7. An intelligent salesman leaves room for ambiguity.
8. Reverse Position method is termed as side-stepping method.
9. Price objection is the most common economic excuse in India.
10. Payment objections can be taken care by offering credit facility.

[Ans: 1True 2. True 3. False 4. True 5. .False 6. True 7. False 8. False 9. True 10. True

SESSION 3: CLOSING SALE

The Final stage in the selling process is closing. This is the ultimate stage of the various efforts made during the previous stages of the selling process which includes prospecting, pre-approach, approach, presentation, demonstration and overcoming objectives. All these steps usually lead to a sale at the stage of close. The ultimate objective of the selling plan is to sell products and services to the customers. Therefore, it is the final step of the selling programme.

INTRODUCTION

‘Closing’ is the action on the part of the salesman to complete the sales transaction. It is nothing but ensuring the prospect’s assent to the salesman’s proposition. It is the simple and logical end

to a satisfactory and successful completion of the various steps of the selling process. Getting affirmative reply from the prospect to the selling plan of the salesman is known as 'closing the sale'. The goal of closing the sale is to persuade the prospect to act immediately, usually in favour of the sales proposition. It aims at converting a desire into a demand by convincing the prospect in favour of purchase. Hence, this is the result of the efforts made by the salesman. Salesman ensures in finalizing the deal, resulting in making a purchase. In the earlier stages of selling, the prospects need to be completely convinced about the benefits of the sales proposition, thereby result in the successful completion of the earlier an affirmation to the product purchase.

IMPORTANCE OF CLOSE

The importance of close lies in the purpose it serves and the benefits it brings because it is the culmination point that renders one either victorious or defeatist. The importance of close is as follows: -

1. *Test of salesman's ability:* A salesman who closes the deal is considered effective and successful. Thus close is the test of a salesman's ability to sell.
2. *Brings additional income:* Firms pay commission /Variable salary on the sale brought by the salesman therefore, a salesman who successfully closes his sale, gets more income.
3. *Cause of motivation:* A successful or positive close is an achievement and acts as a powerful tool of motivation. The salesman gains confidence in himself. On the other hand, an unsuccessful close results in a salesman feeling of frustration for his efforts.
4. *Makes salesman extra cautious:* A successful close is the result of successful prospecting pre-approach, approach, presentation and overcoming objections. Moreover, success at each stage depends upon effective contribution of its previous stage. This makes the salesman to be alert, careful and extra cautious right from the start of the selling process.

REASONS OF FAILURE TO CLOSE

Some prominent reasons for failing to close the sales successfully are: -

1. *Incorrect Attitude:* Mental attitude of the salesman makes the difference between success and failure in closing the sale. If the salesman has faith and confidence in his abilities to convince a prospect to buy, he will have little difficulty in closing the sale. Self-confidence, courage, perseverance more essential in closing.
2. *Inadequate presentation:* An ineffective presentation is one which takes into account the need of the prospect and the Sales person keeps in mind those needs while preparing the presentation.
3. *Anticipating spontaneous reply from prospect:* There are some salesmen, who consider deliberate persuasion as incorrect. At the end of the presentation most prospect need a push. Therefore the salesman sometimes needs to give a big push in order to close the

sale. He should not anticipate a spontaneous order from the prospects thereby helping the prospect convert into a customer. This requires tact, presentation and experience.

1. Interruption

In certain cases the salesman might have successfully brought the prospect to a point of closing the sale, but is unable in account of a near or dear over's interruption resulting in withdrawal from closing the sale. Hence, a third party interference may stop the sale transaction are unable to meet their natural and logical consequence of sale.

2. A Trial Close

A trial close includes questions asked by a salesman asks the prospects at the different stages of the sales talk to seek buying signals. Through this, the salesman tries to look whether the prospect is ready to buy. If the salesman gets clear signals from the prospect regarding the buying decision, the salesman need not put more efforts in persuading the prospects but otherwise the salesman has to start with his sales talk. For example, a trial close can be attempted by asking questions like, 'Do you prefer home delivery of the Refrigerator today itself or tomorrow. 'Here an attempt is made by the salesman to trial close the sales of refrigerator. Once the prospect says, 'I would like to have the same delivered at my residence' today, the sales can easily be considered as closed.

PRE-REQUISITES FOR SUCCESSFUL CLOSING

Closing a sale is one of the important aspects for the salesman. At this stage of the selling process, the prospect is converted into a customer, the desire of the prospect is converted into an expressed demand and the indecision is converted into a specific decision. Important pre requisites for making a successful close are as follows:

1. Go for it Attitude

As the salesman and the prospect move along the various stages of the selling process, it is better on the part of the salesman to remain calm and handle the situation with enough confidence. He should always remain alert and wait for the appropriate moment to close a sale. The moment he finds that the prospect is in a favorable and receptive mood and can easily get his positive approval, he should try to close the sale.

2. Effective Presentation and Demonstration

The salesman should always try to convince the prospect through an effective presentation and demonstration. This is important because through effective demonstration and presentation only the prospect is able to know the benefits and utilities of the product. This makes the prospect think he will get his money's worth by purchasing the product, offered for sale. As a matter of fact, the prospect should be thoroughly convinced by the sale talk of the salesman.

3. Seize Attention

To be successful salesman should always try to hold and seize the attention of the prospect towards the product. He should avoid diverting the prospect's attention to other things. In case the prospect is mentally absent at the time of the sales talk, he should put his efforts to ensure the concentration of the prospect during the sales talk, like repeating the selling points, presenting and demonstrating again, etc , in order to hold the mental and physical attention of the prospect.

4. Permit Questions

A good salesman always encourages the prospects to ask questions about the product and tries to remove the doubts from their minds. As the prospect should not think that the sale is being forced upon him. Rather, the prospect should accept the sales proposition willingly. All queries and doubts must be removed so that the prospect accepts the product gladly and without any hesitation. The salesman, therefore, should be prepared to answer the queries of the prospect.

5. Value Prospect Decision

The salesman's duty is to assist the prospect in taking a wise decision to ultimately buy a product by which the prospect will be benefitted. But the final decision to purchase the product is to be left entirely to the prospect and he should have the complete freedom to make the buying decision himself. The prospect at any juncture should not feel that the sale is being forced on him by the salesman.

6. Preserve Selling Points

An intelligent salesman never discloses all the selling points during the course of the sales talk itself. Rather he should keep the unique sales propositions for appropriate moments. These points are used at crucial junctures when the prospect has a dilemma regarding the purchase. These selling points can be used to convert the prospects 'no' into 'yes'.

7. Strike at the Right Time

As the sales talk progresses, the salesman should watch carefully and wait for the signs of agreement or acceptance on the part of the prospect. The salesman should be extremely

alert during the sales talk and try to find out the most appropriate moment when the sale can be closed as 'psychological moment' or the 'reaction towards the product and is willing to buy, he should try to close the sale immediately. At that particular point of time, the prospect's mind and salesman's mind are in perfect harmony with each other.

METHODS OF SUCCESSFUL CLOSE

The method to be used will vary depending upon the product to be sold, the nature of customer and the circumstances of the sale. No method of closing will be effective if the buyer is not thoroughly convinced about the salesman, his company and the product. The objective of understanding the various types of closing is to guide, assist and help the salesman in his task of closing the sale. The success of a particular method largely depends upon the skill with which a salesman has made use of it. Some of the methods are:

1. **Getting a series of affirmative answers:** One of the methods of closing the sale involves asking a number of questions to ensure that the prospect gives positive answers to the questions. The objective behind this is that when the prospect says many 'yes' on small points, he would also say agree to purchase of the product.
2. **Narrowing the choice:** Prospects may find it difficult to decide or choose when they are offered wide range of products especially in the case of apparels, shoes, jewellery etc. The salesman narrows down the choice by asking them to retain what they like and remove others making it easy to quickly choose from among a selected variety.
3. **Closing on minor points:** There are some prospects who find it difficult to make major decisions. Hence, a salesman tries to get the confirmation of the buyers over minor points – color, size, brand, delivery date, payment system, etc. for example: do you like red color or white? Do you want to make cash payment or purchase on credit? When the salesman attains the consent of the prospect on smaller points, he may close the sale a later by seeking order.
4. **Successful business story close:** Under this method the salesman provides information and testimonial of people satisfied by the purchase of such goods. The incident must be real and not unreal. They must be related to the product being offered.
5. **Offering inducements:** In this method, salesman effectively closes his sale by offering various freebies so as to enhance the desire of the product. They may be in form of cash discounts, installment payment system, better after-sales service, etc. This method highlights the benefits associated with purchase of product.

6. **Assumptive close:** In this method, the salesman presumes that the prospect has decided to purchase the product. At the end of the sales presentation, the salesman places his order form before the prospect and quotes the price and brings the product.
7. **Complimentary close:** Prospects want to be recognized for their special points. Therefore when a salesperson finds the prospects eyeing a particular product inquiring about it, he may compliment the prospect's choice. For example: "your choice is excellent", "It would suit you very much". In this way, a salesperson can close a sale by complementing the prospect.
8. **Suggesting a smaller quantity:** This method is most suitable, when the prospect is unsure regarding the quality of the product. The salesperson suggest purchase of the product in smaller quantities assuring may that he would come back to purchase more forcing the customer to think that the product must be good, otherwise, why would the salesman suggest a trial with such a confidence?

The methods are in no way exhaustive. No single method is applicable to all types prospects and situations with only one method be more suitable and successful with one prospect while it may prove a failure with another prospect under different circumstances. However, whatever method is employed, it is necessary to emphasize here that the circumstance of the case and nature of the prospect matters.

Activity 6

Prepare a list of ten products where inducements have been offered and have helped in successful close.

KNOWLEDGE ASSESSMENT 3

Fill in the blanks with appropriate answers:

1. _____ is the action on the part of the salesman to complete the sales transaction.
2. The goal of closing the sale is to _____ the prospect to _____, usually in favour of the sales proposition.
3. Close is the test of a salesman's _____ to sell.
4. _____ of the salesman makes the difference between success and failure in closing the sale.
5. A _____ includes questions asked by a salesman asks the prospects at the

different stages of the sales talk.

6. The salesman should always try to convince the prospect through an _____ and _____.
7. A good salesman always _____ the prospects to ask questions about the product and tries to remove the doubts from their minds.
8. The salesman should watch carefully and wait for the signs of _____ or _____ on the part of the prospect.
9. In _____ the salesman presumes that the prospect has decided to purchase the product.
10. In _____ prospects want to be recognized for their special points.

(Ans: 1. Closing 2. Persuade, act immediately 3. Ability 4. Mental Attitude 5. Trial close

6. Effective presentation, demonstration 7. Encourages 8. Agreement, acceptance

9. Assumptive close 10. Complimentary close)

SESSION 4: AFTER SALES SERVICE

The discussion on selling process will be incomplete if one does not take into account the 'after-sale service' or 'follow-up action' to be rendered by salesman.

After the sale the salesman has to maintain relationship with the customer. Such as attempt builds long term relationship between the salesperson and the customer. The moment he closes the sale, he should not think that relationship is closed. Rather a close is just the beginning of such relationship. Therefore, he should be encouraged to visit to the outlet in future.

In the case of goods after-sale service should be assured for consumer items, the customer is relieved, and he is able to enjoy the full advantage of the product.

As per the promise, the after-sale service should be provided promptly and satisfactorily whenever the customers come for such service. In the case of failure to provide such service satisfactorily, the built in confidence of the customers will be lost, which will affect the reputation of the concern forever.

IMPORTANCE OF AFTER SALES SERVICE

1. Keeps the customers satisfied

This helps in keeping the customers satisfied. It promotes proper communication of customer's needs and wants to the product or service provider. This helps the organizations identify what their customers want and expect from them. Thus, they can offer their customers desired products that will satisfy their needs.

2. Customer

When customers make repeat purchases of products or services from a company, it shows that loyalty towards the organization. This happens when a product or a service delivers consistent value of the money spent by the customers. The after sales service plays an important part in communicating customer needs and complaints to the provider so that the products and services can be improved accordingly.

3. Reduces the cost of luring new customers.

The cost of gaining new customers is far higher than retaining the old ones. Good customer service from a company helps to retain old satisfied customers, thus reducing the cost for attracting new ones. Along with this, positive feedback from loyal customers automatically generates new clients for a company.

4. Helps to beat competitors

Organizations that provide excellent after sales services outperform competitors and become leaders in the industry. Even if such a company offers services and products at little higher rates, customers prefer purchasing it from them. As excellent after sales service is one of the most important factors determining sales.

5. Helps to receive feedback

Customer service representative directly chats to the customers and listens to all the positives and negatives expressed by them. This helps the company to receive invaluable feedback, which they would otherwise never receive.

STEPS IN AFTER SALES SERVICE TECHNIQUES

- 1. Connect with the customers:** Sales professionals need to remain in touch with the customers even after the deal. They should not ignore their calls. They ought to call them once in a while to exchange pleasantries.

2. **Provide the necessary Support:** The sales personnel can help them install, maintain or operate a particular product. For example, Sales professionals selling laptops must ensure windows are configured in the system and customers are able to use the Internet without any difficulty. Similarly organizations selling mobile SIM cards must ensure the number is activated immediately once the customer submits his necessary documents.
3. **Replacement of the product:** Any product found broken or in a damaged condition must be replaced immediately by the sales professional. Their grievances should be addressed and make them feel comfortable and create a section in the organization's website where the customers can register their complaints or have a toll free number where the customers can call and discuss their queries. The customer service officers should take a prompt action on the customer's queries. The problems must be resolved immediately.
4. **Frequent Feedbacks:** Feedback of the products and services from the customers should be taken periodically. It helps the organization to know the customers better and incorporate the necessary changes for better customer satisfaction.
5. **Annual Maintenance Contract (AMC):** AMC is an agreement signed between the organization and the customer where the organization promises to provide after sales services to the second party for certain duration at nominal costs.
6. **Communicating the Policies:** The exchange policies must be transparent and in favour of the customer. The customer who comes for an exchange should be given the same treatment as was given to him when he came for the first time.

The personal selling process is an important component of salesmanship and relationship building through this process enables organizations to increase their sales of existing and new products.

Activity 7

Prepare a list of five product recalls by various companies on account of problems identified in the products.

KNOWLEDGE ASSESSMENT 4

State whether the statements are True or False:

- Close is end of the relationship between salesman & prospect.
- After sales service should be assured for only consumer items.
- After sales service should be provided promptly and satisfactorily whenever the customers come for such service.
- After – sales service helps the organizations identify what their customers want and expect from them.
- When customers make repeat purchases of products or services from a company, it shows that disloyalty towards the organization.
- The cost of gaining new customers is far higher than retaining the old one.
- Feedbacks from customers are not a reliable source.
- Annual Maintenance Contract (AMC) is an agreement signed between the organization and the customer.
- The customer who comes for an exchange need not be given the same treatment as was given to him when he came for the first time.
- The customer service officers should take a prompt action on the customer's queries.

(Ans: 1.False 2. False 3. True 4. True 5. False 6. True 7. False 8. True 9. False 10. True)

Exercise Questions

Short Answer Questions

1. Explain the concept of Presentation.
2. "Identification of buyer needs are paramount in selection of presentation method". Comment.
3. What are the essentials of a good presentation?
4. What are the different techniques used for an effective demonstration?
5. Write a short note on the importance of demonstration
6. Distinguish between objection and excuse
7. How can you overcome direct denial?
8. Write a short note on handling objections.
9. "It takes a good salesman to be a good listener"-Comment.

10. Write a short note on price-objection.
11. Draft two replies for a salesman who is told by a buyer "I am busy right now".
12. What is the main objective of close?
13. List some of the reasons for failure to close.
14. What is a trial close?
15. What do you mean by 'after sale service'?

Long Answer Questions

1. What is a presentation? Outline the essentials of a good presentation.
2. Elucidate how demonstration can be made more effective and state the techniques employed for effective demonstration.
3. What are objections? Explain any three methods of meeting customer objections.
4. Discuss the important methods of overcoming objections of customers.
5. Why are objections raised? What procedure should be followed in handling customers' objections?
6. "Getting a series of positive answers is a method of closing a sale". Explain.
7. Discuss in detail the important methods of closing a sale.
8. What is a close and describe the requisites of a successful close?
9. Discuss the stages of personal selling process.
10. Enumerate the importance of after sales service and also list out the steps involved in the after sales service process.