The Nature of Personal Selling

- Involves an individual acting for a company by performing one or more of the following activities:
  - Prospecting,
  - Communicating,
  - Servicing,
  - Information Gathering.

- The term salesperson covers a wide spectrum of positions from:
  - Order Taking (department store salesperson)
  - Order Getting (someone engaged in creative selling)
  - Missionary Selling (building goodwill or educating buyers)

Personal Selling

- The Sales Force serves as a critical link between a company and its customers since they:
  - Represent the company to customers, and
  - Represent customers to the company.

- 12 million people are engaged in personal selling in the United States
- 10% of the work force
**Relationship Marketing**

Process of creating, maintaining, and enhancing strong, value-laden relationships with customers and other stakeholders.

Based on the idea that important accounts need focused and continuous attention.

**Characteristics of Personal Selling**

**Flexibility**
- Identify best prospects
- Adapt to situations
- Engage in dialog
- Handle Questions
- Overcome Objections

**Building Relationships**
- Long term
- Assure buyers receive appropriate services
- Solves customer’s problems
- Reduce the Cost of Sales!

**Personal Selling Tasks**

**Order taking**: Includes much of retail store sales and wholesale sales

The task is to facilitate the exchange.

**Routine**
- Writing up orders
- Checking invoices
- Assuring prompt order processing
- Suggestive selling - *rounding out the ticket*
Personal Selling Tasks

Order getting: called creative selling
The task is: to Make the Sale
- Seeking out customers
- Creative selling - explaining benefits, obtaining commitment
- Pioneering
- Account management

Personal Selling Tasks

Missionary Sales: Visit prospective customers, distribute information, handle complaints
- The task: to serve as Customer Relations Representatives.
  - In Pharmaceutical sales called: Detailers, who deliver information and samples to deciders.
  - Establish Goodwill for the firm and its products

Steps in the Selling Process

Step 1. Prospecting and Qualifying
Identifying and Screening for Qualified Potential Customers. For need, ability to make the decision and pay.

Step 2. The Approach
Knowing How to Meet the Buyer to Get the Relationship Off to a Good Start. Creating a credible image.

Step 3. Presentation/ Demonstration
Focus prospect's Attention. Tell the Product “Story”: Showing Product Benefits and generating Interest and desire.
Steps in the Selling Process

Step 4. Handling Objections
Seeking Out, Clarifying, and Overcoming Customer Questions/Objections to Buying - gaining commitment.

Step 5. Closing
Making sure you have commitment from the Customer and Asking for the Order.

Step 6. Follow-Up
Following Up After the Sale to Ensure Customer Satisfaction - key to Repeat Business.

Sales Force Management Strategy

• Setting Objectives: Sales objectives must Accomplish the Strategic Goals of the firm
• Organizing Sales Activities
• Recruiting and training personnel
• Determining Compensation plans
• Motivating Personnel
• Evaluating Results

Designing Sales Force Structure

Types of Sales Force Structure
- Territorial
  Exclusive Territory to Sell the Company’s Full Product Line
- Product
  Sales Force Sells Along Product Lines
- Customer
  Sales Force Sells Along Customer/Industry Lines
- Complex
  Combination of Above Types of Sales Force Structures
Ethical Issues

- Kickbacks, bribes and "gifts"
- Price discrimination
- Cheating on expense accounts
- Misrepresentation