

PERSONAL SELLING

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Preface

Life revolves around selling products and/or services. As a result, selling is one of the oldest professions in the world. In the personal selling profession, the people who do the selling are organised into formal structures by various organisations; often going by everyday names such as salespeople, sales representatives, sales consultants and account development managers, to name but a few. The study of personal selling is still considered as the most important elements in the marketing function by both students and practitioners. Despite a move towards the more esoteric areas of marketing over the years, personal selling still remains unambiguous. Undoubtedly, personal selling is the only organisational function that still espouses contact (direct or indirect) with customers, where concluding that sale is the desired outcome.

The goal of this Fresh Perspectives edition *Personal selling* is to provide students just starting at a tertiary institution or the new businessperson with the basics and principles of personal selling. The book will create awareness and understanding of the notion that personal selling is more than a simple business transaction, with its emphasis on setting goals, planning ahead and being prepared for each and every personal selling encounter. This text therefore explains and documents the personal selling process and function. Beyond this, personal selling is described as the interpersonal arm of marketing communications in which salespeople interact with a myriad of customer groups and prospects to make sales and build relationships. The golden thread is identified through connecting artificial intelligence and advanced technologies to harvest and maintain information about customers and other stakeholders. For ease of reference for both students and lecturers, the text delivers a high-level of practical orientation that encapsulates contemporary examples, case studies, hyperlinks, and so on, that will enable students to learn how concepts are used in actual practice and how they relate to one another within the South African context.

Target market

Primarily, this Fresh Perspectives edition is invaluable to first-year students studying towards Diplomas in Marketing and Retailing at higher educational institutions in South Africa. *Personal selling* is also relevant for students studying towards other business-related qualifications such as the Diploma in Management, the Certificate in Sales Management, the Certificate in Marketing Communications Practice and the Diploma in Business Studies, among other undergraduate courses. Likewise, researchers, entrepreneurs, practising salespeople and sales managers can also benefit from reading this text for non-degree purposes, as it emphasises the practical as well as the theoretical concepts related to the personal selling function.

How to study this text

The organisation of this text ensures that the reader is able to find the golden thread throughout the chapters. The following study method is recommended:

- Prepare your mind for exciting revelations about the personal selling function.
- Set up a timetable to help manage your time effectively. In general, reading the text for at least an hour every day will greatly enhance your ability to master the concepts included in this book.
- Read and understand the learning objectives set out at the beginning of each chapter.

- Read the preliminary sections to each chapter in this book, namely the ‘Before you start’ and the ‘Think about it’ sections in order to provoke your thinking about the central theme of the chapter and to familiarise yourself with the journey through the chapter that awaits you.
- Study the sections in each chapter in conjunction with any course study materials provided by your lecturer. Synthesise the core ideas and arguments in each section with the information that you already know, as well as with information that you have found from other supplementary materials. Supplementary materials include the published works listed in the reference and additional reading section at the end of each chapter in this book.
- Complete the various activities included in the chapter and analyse and answer the self-test questions at the end of each chapter in order to evaluate the extent to which you have mastered the required skills and competencies for each chapter.
- Write a reflection regarding your view about the various sections in the chapter and share this with your friends and/or classmates in a formal or informal discussion platform.

Enjoy the book.

About the authors

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SECTION A

The salesperson

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CHAPTER 1

Profile of a salesperson

Learning objectives

- Define the term personal selling.
 - Differentiate between marketing and personal selling.
 - Describe the attributes of a salesperson.
 - Explain the different sales environments.
 - Explore the different tasks of sales representatives.
 - Explain the important role that personal selling play.
-

Before you start

The world we live in is changing so rapidly that the traditional role of the salesperson is in continuous flux and is therefore often redefined. A good example of how quickly the world can change is the Covid-19 pandemic that was declared by the World Health Organization in March 2020. The role of the salesperson underwent tremendous changes as a result because of the demands of various levels of business lockdown. For instance, at Level 5, all non-essential retail outlets were closed, and online sales escalated, resulting in a focus of the online salesperson. However, one factor that is constant amidst the fluidity of our world is that sales is at the core of all business and the reason for the existence of organisations. Coca-Cola® sells soft drinks, the taxi driver sells his or her transport services, non-profit organisations sell their ideas and community work to sponsors. Even your lecturer and this book are selling something: knowledge. We are all selling something.

Think about it

Think for a moment about that auntie in your family who sells pot plants on Gumtree. What is her job title? What is her job, exactly? Is she employed full-time? How is her job different from that of the salesperson selling duvets at @Home? Are the jobs of your auntie and the @Home salesperson in jeopardy owing to the advancement of technology and the sudden increase in online sales where no salesperson is needed?

Introduction

This chapter introduces you to the many facets of a salesperson as well as the numerous areas in which a salesperson can work. Depending on the particular sales job, the salesperson may require very specific skills and knowledge. Consider the auntie who sells pot plants on Gumtree and compare her to the salesperson who sells furnaces to Eskom. Both types of selling require sales skill, but the kind of product knowledge to sell the items is very different. The pot plant salesperson can learn all the necessary product knowledge at a one-day workshop, whereas the furnace salesperson may need a university degree to understand the intricacies of a complex system that can generate electricity.

1.1 What is personal selling?

Personal selling is a process. It can be defined as all the interpersonal interactions between a salesperson and a client to initiate, develop and enhance their relationship with the goal of satisfying the needs of the client. This goal is primarily satisfied by successfully selling the client a product or service. The sales department in a business connects the various functions and departments of the business. This is because the sales predictions made by the sales manager, who is the manager of all sales personnel, are used in budgeting, marketing forecasts and business operations. In other words, sales is central to the entire business because it impacts planning for resources such as raw materials, machinery, equipment and even personnel.

The terms *personal selling* and *marketing* are sometimes used interchangeably, but they are not the same thing. Personal selling is one of the tools marketers use in their **marketing mix** (see Figure 1.1) to promote the products or services the business wants to sell. It forms part of marketing which can be defined as the activity, set of institutions and processes for creating, communicating, delivering and exchanging offerings (the marketing mix) that have value for customers, clients, partners and society. Other tools that are part of the **promotion** function of the marketing mix are advertising, sales promotions, public relations and publicity and direct marketing.

The marketing mix consists of four elements (4Ps) for manufacturing businesses (product, price, place and promotion) and seven elements (7Ps) for service business (adding process, people and physical evidence to the 4Ps).

Promotion is when a business communicates with the public to increase their awareness of its products or service.



Figure 1.1 How personal selling and marketing relate

Source: Author

Activity 1.1

Interview a small business owner.

1. Does the owner understand what personal selling entails?
2. What does the owner use this function for, in his or her business?

A number of factors will influence personal selling in the future. These include a sales environment that will become increasingly complex and dynamic, increased buyer sophistication and rapid developments in technology. The next generation of sales representatives will therefore require new skills and attributes to ensure that the long-term needs of clients are satisfied. However, the core of personal selling – namely the relationship between the salesperson and the client and creating customer value – will not change. In the next section, we discuss some important attributes that sales representatives in the sales profession will need in the next decade.

1.2 Attributes of salespeople

Salespeople should have a wide range of relevant personal and professional attributes. Relevant personal attributes include, for example, being an extrovert and a good communicator, while **accountability** is an example of a relevant professional attribute. We discuss additional attributes salespeople should have below.

Accountability

is when you accept responsibility for your decisions and actions and disclose them openly.

1.2.1 Communication skills

Interpersonal communication between a seller and a buyer is the dimension that sets personal selling apart from all other marketing communication mix tools. This is because effective communication is the key to any sale. Without communication selling cannot happen. But what is effective communication in selling?

Communication is all verbal and non-verbal cues that act as transmitters of information from the seller to the buyer with an opportunity for the buyer to communicate back to the seller. In order to be a good communicator, a salesperson should have the ability to be flexible, focused, responsive and calm. Combined, these qualities enable the salesperson to be viewed as trustworthy and approachable. Communication is discussed in more detail in Chapter 2 of this book.

1.2.2 Listening skills

On average, people spend about half the day listening to other people, and listening is considered important for effective communication. Salespeople have identified listening skills as a very important attribute to have in overall sales effectiveness and professional success. The salesperson must be able to listen to the customer in order to identify his or her needs or wants and how to satisfy these. Therefore, many sales managers have built listening skills into the training of new salespeople.

In the sales context, listening is referred to the cognitive process of actively sensing, interpreting, evaluating and responding to the verbal and non-verbal messages of customers (Pryor, Malshe, & Paradise, 2013, p. 186). Sensing is the initiation of the listening behaviour, stimulated by verbal and non-verbal cues (Pryor et al., 2013, p. 186).

Evaluating is the assessment of the customer's statement to mete out any underlying meaning (Pryor et al., 2013, p. 186). This is done to measure or determine the underlying meaning of what the customer is communicating and to identify whether the salesperson correctly understands what the customer has communicated. The purpose of responding is to inform, control and understand.

1.2.3 Time-management skills

Time management is the practice of organising and planning how to divide your available time among specific tasks. Good time management lets you work smarter – not harder – so that you get more done in less time, even under tight deadlines and work pressure. Staying organised helps to develop a clear picture of what needs to be done by when. Some of the attributes of good time management include prioritisation of tasks, setting specific goals, planning what needs to be done by when, delegating some work if you can and, most importantly, managing your stress levels.

Activity 1.2

Determine your one-year goals as well as your five-year goals on a personal and a professional level.

1. For one week, write down what you do every hour of the day.
 - a. At the end of the week, reflect on how you spent your time, identify where you wasted time and consider how you can prevent this. For example, if you see that you spent too much time on social media, turn off the notifications.
 - b. Think of a number of ways to build in time savers for yourself.
2. Now look at the activities on your schedule and determine whether those that you spend the most time on will assist you to achieve your one- and five-year goals.

1.2.4 Analytical thinking and problem-solving skills

Analytical thinking and problem-solving skills help you to solve problems quickly and effectively. These skills assist you to employ a methodical step-by-step approach to thinking that allows you to break down complex problems into single and manageable components. They are therefore useful when dealing with a client's requirements because they enable you to analyse the client's situation and provide viable solutions. They are also useful skills because it is the role of the salesperson to analyse the needs of all stakeholders and create a win-win situation.

1.3 Types of sales careers

Sales careers are very varied. The sales career that individuals choose should suit their personal and professional attributes. In the sections below we discuss different types of sales careers.

Key accounts
are strategic
long-term
customer
relationships.

1.3.1 Key account managers

The creation of a sales career known as a key account manager (KAM) or a customer relationship manager is one of the most fundamental changes to the way that companies organise their sales and marketing functions (Davies & Ryals, 2013, p. 919). It is a specialised position comprising a set of processes and practices designed to manage **key accounts**.

These comprise long-term customer relationships that are of strategic importance and focus on adding value to the relationship between the business and the customer, thereby creating a synergistic partnership with the customer. Although the KAM function is made up of a set of processes and practices for managing long-term customer relationships, the ultimate success of key account management depends on the skills, capabilities and behaviour of the KAM. The position of KAM should therefore be filled by someone who is able to coordinate all aspects of the buyer-seller relationship (Davies & Ryals, 2013, p. 919). This is what distinguishes the KAM role from other types of sales careers.

Here is a list of specific competencies a KAM should have and the reasons for them:

- **Goal orientation:** The KAM area is concerned with long-term relational goals, whereas normal sales are concerned with short-term goals. The KAM is concerned with the strategic role of relationships (Davies & Ryals, 2013, p. 922).
- **Customer planning:** The KAM role is considerably more customer-orientated than that of typical salespeople. The KAM has wider and deeper knowledge of the customer than usual salespeople. This knowledge is captured through key account planning, a KAM process through which customers are researched (Davies & Ryals, 2013, p. 922).
- **Customer embeddedness:** Because of this deeper knowledge of the customer, the KAM develops customer embeddedness. This refers to closeness to the customer. KAM should embed themselves with the customer and his or her organisation. Typically, this means that the KAM knows more people and processes in the customer's organisation than normal salespeople are required to know (Davies & Ryals, 2013, p. 922).
- **Strategic prioritisation:** Intense planning and customer knowledge are futile if they do not lead to better decision-making. It is imperative that the KAM utilises this deep understanding of the customer to develop a shared vision with the customer about a long-term, future relationship (Davies & Ryals, 2013, p. 922).
- **Adaptability to customer culture:** The KAM should be attuned to political and cultural factors in the customer's organisation and be able to adapt the key account management strategy to provide optimum interaction with the customer and ensure delivery of value. This involves understanding the customer's corporate culture and way they conduct business (Davies & Ryals, 2013, p. 923).

Even though the organisational roles between typical salespeople and the KAM differ considerably, the most successful salespeople are typically appointed as KAMs. Although KAMs are usually found in the business-to-business environment, they are also evident in the business-to-consumer environment.

1.3.2 Sales manager

Sales managers are recognised as important for the overall success of their salespeople, sales teams and the sales organisation, and are regarded as the unit of analysis to measure sales accomplishments within the company (Plank, Reid, Koppitsch, & Meyer, 2018, p. 78). The biggest mistake that some organisations make is that they promote their best salesperson to the position of sales manager. In many cases, such a promotion is doomed to fail, as selling products and managing people are two very different skills.

Here is a list of areas that fall within the domain of sales management and are therefore managed by the sales manager:

- **Sales organisation and structure:** This deals with the organisation of salespeople and how they are divided. Some companies divide their salespeople by product type, while others do this by geographical area (Plank et al., 2018, p. 80). So, for instance, while a Dell Computer sales representative only sells computers, but on a national level, a Tupperware sales representative only sells his or her products in a certain area like Randburg, for example.
- **Recruitment and selection of salespeople:** In its core, this area deals with the hiring of the right candidate and the dismissal of the non-performing salesperson (Plank et al., 2018, p. 81).
- **Sales force training:** This area deals with the sales manager's involvement in training of new recruits as well as identifying new training topics for the existing sales force. Training can be done in-house, that is the sales manager doing the training, or it can be out-sourced to an independent training agency (Plank et al., 2018, p. 81).
- **Sales force supervision and evaluation:** Sales managers are directly responsible for the success of the salespeople they oversee. This area deals with performance management. Salespeople are assigned a specific output, like a sales target they have to achieve on a monthly basis. This performance is evaluated by the sales manager, also on a monthly basis. The ethical behaviour of salespeople also falls within this area of control (Plank et al., 2018, p. 82).
- **Sales planning and forecasting:** This is a very important function within sales management. There are various statistical ways in which sales forecasting can be done, like determining the sales averages for the same time frame over the last few years. If this function is done incorrectly, the sales manager may assign the wrong sales target to the salespeople which may, in turn, lead to non-performance (Plank et al., 2018, p. 84).

1.3.3 The salesperson

Companies and textbooks use a variety of terms, such as *sales representative*, *sales consultant*, *salesperson*, *sales engineer* and numerous others, to describe the person whose core function is to sell a product or service. The salesperson is an ambassador of the company: he or she represents the company outside of its borders and is the face of the company (Shi, Sridhar, Grewal, & Lilien, 2017, p. 25). The ability of the salesperson to link the needs of the customer with the offerings or solutions provided by their company is a key determinant for the company's financial success (Shi et al., 2017, p. 25). Salespeople are entrusted with the company's most important asset, its relationship with its customers. Often salespeople have considerable control over this relationship and to many customers, the salesperson is the company (Shi et al., 2017, p. 26). Therefore, when a salesperson resigns from a company, the potential adverse financial consequences for the company may be substantial. However, in spite of this problematic factor, the turnover of salespeople in companies is quite common.

1.4 Different types of sales environments

Different sales environments require different sales jobs. These different sales jobs require different sales skills and product knowledge.

1.4.1 Online selling

The rapid spread of information and communications technologies (ICT) as well as the burgeoning use of the Internet have boosted the adoption of online sales as a distribution channel (Duch-Brown, Grzybowski, Romahn, & Verboven, 2017, p. 30). This advance in technology has resulted in unprecedented structural changes in many companies. These transformations are generating a major reorganisation in the way some products are manufactured, marketed and purchased (Duch-Brown et al., 2017, p. 31). For example, online shopping provides for new innovative ways for companies to market their products. In addition, electronic-facilitated transactions offer new ways to gauge customer preferences more truthfully and provide opportunities for targeted advertising.

As far as purchasing is concerned, online selling benefits consumers in several ways (Duch-Brown et al., 2017, p. 31):

- It provides a useful and convenient platform to buy a wider range of products or services from more retailers at seemingly better prices.
- Consumers can use search engines and price comparison sites and Apps, which reduce search costs, to find and compare many different offers for the same product.
- The online shopping world allows consumers to shop at anytime from anywhere, avoiding the problems of restricted shopping hours, distance to shops or availability of products.

1.4.2 Direct selling

The labour market has long included individuals who prefer nonemployee jobs. Alternative job arrangements, such as freelancing, and independent and short-term contracting have increased in recent years (Peterson et al., 2019, p. 373). These arrangements are examples of substitutes for the traditional employer-employee work relationship (Peterson et al., 2019, p. 377).

Direct selling is regarded as a form of independent contracting and contributes to the independent workforce environment. Direct selling is defined as a channel of distribution for selling products directly to consumers in person, away from a fixed retail location (Peterson, Crittenden, & Albaun, 2019, p. 377). Direct selling includes sales made through one-on-one demonstrations, party-plans and other personal contact arrangements, as well as Internet sales. Direct selling occurs at home, at work and in other non-store locations.

This type of selling occurs when the company centralises its selling function and sells products directly to the customer. Tupperware Brands is a good example of a direct sales company.

Globally, direct sales contributed US\$190 billion worth of sales to the economy in 2017, and the South African sales for the same period was estimated to be around R15 billion. Direct selling provides opportunities for learning, personal growth and business skills development. Direct selling can therefore have widespread social impact and is an attractive career option for the following reasons:

- **Income:** A direct seller can make a living by earning money as a full-time direct seller. This income is directly related to selling effort expended.
- **Refining identity:** A direct seller can improve his or her position in life through the empowerment that comes from learning new and transferrable skills.
- **Strengthening social connections:** A direct seller – by virtue of the selling activity – develops camaraderie in the job field. This can lead to making useful social connections.

1.4.3 Agent selling

This type of selling is when a company decentralises its selling function and sells its products through an intermediary retailer like Amazon or eBay (Dong, Yang, & Zhao, 2018, p. 204). Random House, a publishing company, is a good example, since it sells its books online through retailers like Amazon.

Activity 1.3

Search the Amazon website and list some of the books it sells, as an agent, on behalf of Random House.

1.4.4 Retail selling

This type of selling involves a salesperson at a fixed location. A typical example is a salesperson at Edgars, who works in the jeans section and helps customers to find a pair of jeans that is the correct size and perhaps persuades them to purchase a matching shirt to go with the jeans. These salespeople receive a fixed salary and company benefits like medical aid and pension contributions from their employer.

Retail salespeople provide the customer interface and are responsible for making available enough information for the customer to make a satisfactory purchase decision. Retail salespeople need to be able to ‘read’ the customer in order to understand where the customer is in the decision-making process. A retail salesperson needs a high level of product knowledge which is obtained through specific training. A retail salesperson needs to be able to do these tasks:

- Talk to the customer to find out what the reason is for the purchase.
- Determine which product features are important to the customer.
- Try to determine what price the customer is willing to pay for the product.
- Find out whether the customer is brand loyal or if he or she is prepared to switch to another brand.
- Allow the customer time to think through the information.
- Empathise with any problem or objection the customer has.
- Reassure the customer about the company’s **return policy**.

Return policy

refers to the rules retailers have to manage when customers return or exchange unwanted or defective merchandise they bought.

Cold-calling

is when a salesperson approaches a person he or she does not know (often via a phone call) and who typically does not know about the product or service being sold.

1.4.5 Team selling

The traditional role of the salesperson is changing as markets become increasingly global, technology advances and selling becomes a multi-functional position. In this context, sales teams have become increasingly prominent in the business environment. A sales team is made up of individuals who view themselves as a communal unit (Hill, Bush, Vorhies, & King, 2017, p. 228). The members of the team are independent, rooted in a larger company, develop a sense of shared commitment, strive for synergy and perform tasks that affect customers and co-workers (Hill et al., 2017, p. 229). The sales team as a single unit will therefore also receive sales targets to achieve. Sales teams can be constructed in a variety of ways. Here are two examples:

- ADT Inc (a company that provides residential, small and large business electronic security and fire protection). One team member does the **cold-calling** and sets up an appointment with a potential client. Another team member visits the client and sells the alarm system.

A third team member does the installation, while a fourth does the aftercare follow-up after the sale. Collectively, they have worked together to sell an alarm unit.

- Eskom. In an organisation like Eskom, a sales team can consist of various subject disciplines, each team member with his or her own specialty. One team member, a metallurgist, is knowledgeable about fire resistant materials. Another team member, a mechanical engineer, works on the design of furnaces, while a third team member, an electrical engineer, is knowledgeable in the use of electricity to power furnaces. Collectively they will be able to answer the customer's queries to come up with a bespoke design to satisfy the customer's needs.

The biggest advantage of sales teams is the collection of different skills and a range of knowledge within a single unit. There are, however, some drawbacks to team selling:

- Conflict may arise within the group as members may have different opinions on certain issues.
- Sales teams may not be as adaptable as individuals can be, to a rapidly changing retail environment.
- Sales teams may not be able to improvise under pressure like an individual can.
- As salespeople are remunerated on a commission basis, team selling may lead to pay queries, especially if some members feel their role in a sale was more important than those of other team members.

1.4.6 Creative selling

Creative selling has been identified as important to the existence and success of companies. It has been positively linked to work-related outcomes such as reaching sales targets and satisfactory job performance. It is also linked to the sales effectiveness and competitiveness of companies in the market. Sales effectiveness is vital and is reflected in a company's sales volume or market share, for which – in line with set company targets – salespeople are partly responsible (Martinaityte & Sacramento, 2012, p. 2).

Creative selling refers to the number of new ideas generated by a salesperson in performing his or her job as well as the amount of innovative behaviour shown. There is a positive relationship between creative selling and job effectiveness. Salespeople who are able to develop new ideas to satisfy customer needs and who can generate as well as evaluate multiple alternatives for different customer problems are more likely to be successful than those who approach their customers in the traditional way (Martinaityte & Sacramento, 2012, p. 3). Creative salespeople are more likely to think differently about their products and can therefore persuade their customers by citing a wider and more attractive range of benefits. Creative sellers can also apply their various thinking skills to devise novel procedures to get new customers.

Activity 1.4

Identify a product that is sold directly to a customer.

1. List creative ways how you would increase the customer base for the product.
2. List creative ways you would use to sell this product to the customers.

1.5 Different tasks of a sales representative

The sales function in any company involves various tasks, such as lead generation, order getting, order taking, sales support and order delivery. In large or corporate organisations, different individuals are responsible for each task, whereas in small or entrepreneurial businesses often one person must complete all the tasks. Sales managers use the tasks and their nature to determine the skills needed to complete all of them as well as the structure of their sales team.

1.5.1 Lead generator

Trade shows

are shows that focus on specific trades or industries.

A lead (also known as a suspect or potential buyer) is someone who may buy a particular product or service from a sales representative. Thus, a lead generator is a salesperson who primarily searches for information about leads, like who the influencers and decision-makers are, their needs and wants and their contact details. Lead generation usually happens at **trade shows** or promotional events or through cold-calling. Lead generators make the initial contact with a potential buyer. After this they either prepare to call on the potential client by completing the sales dialogue template (see Chapter 7) or they pass the lead on to the order getter.

Activity 1.5

Imagine you are the sales representative of a large steel producer. How would you generate leads for your company?

1.5.2 Order getter

Order getters

are also known as missionary sales representatives as they provide information, and introduce new products, programmes and promotional campaigns.

The next task is getting an order. Order getting is when a salesperson, the **order getter**, turns a lead into a client. Order getters are also called hunters because they actively search for sales. They often target new clients so that they can widen their client base, but they also sell to existing clients. A sales tactic order getters use when selling to existing clients is they build a long-term relationship with a client by selling him or her one product line. As soon as the relationship has been established, the sales representative follows up with additional sales calls to sell other products or services. This type of salesperson is crucial for the success and growth of an organisation. An order getter is a salesperson who typically has an annual sales target that increases each year and physically goes out and sells the company's products or services. An order getter can range from an individual who manages his or her own business to a top sales representative in an international company.

1.5.3 Order taker

An order taker receives orders without having made any physical attempt to go out and sell. Order takers are also called farmers as they maintain existing relationships with clients. Order takers often receive either telephonic or online orders and ensure that customers' orders are processed. They usually work for wholesale companies and are not very involved in creative selling. A good example is the person who takes your order over the phone after a Verimark advertisement has been shown on television or a YouTube advertisement that enticed you to buy a product or service. Another example is a sales representative working for a large wholesale company who regularly (e.g. weekly) visits wholesalers or retailers for which he or she is responsible to make sure there are no problems and that the stock is correctly displayed.

1.5.4 Sales support

Sale support assists existing clients or the sales representatives of important clients. The main focus of sales support should be the client's needs and assistance with the after-sales services. Sales support personnel are not usually involved in lead generation or order getting, but are instead responsible for a range of other activities, like the communication of important information about the product or service or technical support. This is an important function that can enhance and grow relationships with clients.

1.5.5 Administrator and deliverer

This task involves delivering the order after the deal has been closed and the order has been processed. It is often the operational or logistics department in an organisation that is responsible for this step. It is of the utmost importance that the order getter or taker ensures that this step is completed. Companies like Yuppiechef have handwritten notes in their online order boxes that are delivered by third party couriers to build the personal relationship with clients further.

1.6 The role of personal selling

As previously noted, the personal selling function is an important tool that organisations use to persuade potential buyers to purchase their product or service. Not only does the personal selling function play an important role in the business itself, but also for the customer as well as the wider society (see Figure 1.2 for a summary).

1.6.1 Personal selling and the customer

Salespeople serve their customers. With a strong focus on relationship building and a mindset of 'working with' clients, sales representatives are often vital within a client's business. In fact, the sales representative of a supplier sometimes almost becomes part of the buying organisation. The buying organisation has an expectation that the representative of the selling company will contribute to their company in a highly professional manner. For example, the courier company Aramex is the supplier of courier services to almost all PostNet businesses in South Africa. Aramex's customer relationship procedure assists PostNet owners in the courier services they provide their clients.

1.6.2 Personal selling and the selling organisation

Salespeople have a tremendous role to play in selling organisations as they are the direct contact with clients. Salespeople are part of the heart of any company as they are what are called *the revenue producers*. Consequently, sales personnel experience tremendous pressure to contribute to the 'top line' of the profit and loss statements of their organisation.

Salespeople, although not trained in market research, are a potentially valuable source of market research as they spend most of their time with clients. It is important for selling organisations to ensure that they have a good communication system that assists their sales representatives to communicate easily the needs and wants of clients. For example, communication technology used by selling companies creates opportunities for gathering customer feedback easily and on a continuous basis. In this way, salespeople can, through the feedback they receive from clients, improve their organisation's products or services.

Although sales jobs are usually seen as entry level jobs in an organisation, in recent years it has become apparent that sales personnel are good candidates for managerial positions as they understand clients' needs best and are driven by the revenue they can earn and the financial gain they can generate for their organisation.

1.6.3 Personal selling and the community

Sales personnel have a number of important functions at a community level. Firstly, they can enhance sales in organisations. This can lead to an increase in profits that helps to stimulate a country's economy, which will benefit communities. Secondly, they can help to stabilise communities. The business world is challenged by external factors in the macro environment (see Chapter 4) such as globalisation, increasing pressure to satisfy clients and being able to stay competitive in difficult economic times. Sales representatives serve as a key tool to maximise potential opportunities and overcome any resulting threats in the business environment by implementing well-executed strategies. Thirdly, they can function as change agents. In the fast-paced world, innovation is happening around us daily. Unfortunately, even though an idea is brilliant and can satisfy the needs of consumers, the end-user must first know about the innovation, believe in it and buy into it. When a new product reaches the market, sales representatives play an important role in the diffusion of innovation, as they present new products and services to their community. Finally, by practising hard selling techniques, sales representative agents can also extend the lifecycle of products and services when they enter their decline stage. This can help the product or service to stay in the market for a longer period of time.

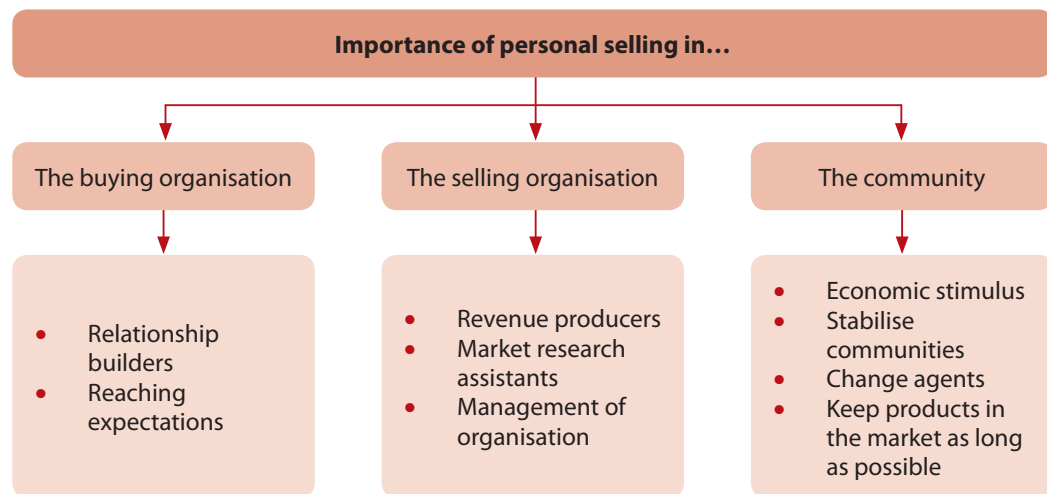


Figure 1.2 The importance of personal selling

Source: Author

Activity 1.6

Write a popular article for a local newspaper to explain the importance of personal selling. In your article, include the crucial role salespeople play in the following:

- buying companies
- their own companies
- the local community.

CASE STUDY

The end of solution sales

By Brent Adamson, Matthew Dixon and Nicholas Toman

THE HARDEST THING ABOUT B2B selling today is that customers don't need you the way they used to. In recent decades sales reps have become adept at discovering customers' needs and selling them 'solutions' – generally, complex combinations of products and services. This worked because customers didn't know how to solve their own problems, even though they often had a good understanding of what their problems were. But now, owing to increasingly sophisticated procurement teams and purchasing consultants armed with troves of data, companies can readily define solutions for themselves. In fact, a recent Corporate Executive Board study of more than 1 400 B2B customers found that those customers completed, on average, nearly 60% of a typical purchasing decision – researching solutions, ranking options, setting requirements, benchmarking pricing, and so on – before even having a conversation with a supplier. In this world the celebrated 'solution sales rep' can be more of an annoyance than an asset. Customers in an array of industries, from IT to insurance to business process outsourcing, are often way ahead of the salespeople who are 'helping' them. But the news is not all bad. Although traditional reps are at a distinct disadvantage in this environment, a select group of high performers are flourishing. These superior reps have abandoned much of the conventional wisdom taught in sales organisations. They:

- evaluate prospects according to criteria different from those used by other reps, targeting agile organisations in a state of flux rather than ones with a clear understanding of their needs.
- seek out a very different set of stakeholders, preferring sceptical change agents over friendly informants.
- coach those change agents on how to buy, instead of quizzing them about their company's purchasing process.

These sales professionals don't just sell more effectively – they sell differently. This means that boosting the performance of average salespeople isn't a matter of improving how they currently sell; it involves altogether changing how they sell. To accomplish this, organisations need to fundamentally rethink the training and support provided to their reps.

Coming up short

Under the conventional solution-selling method that has prevailed since the 1980s, salespeople are trained to align a solution with an acknowledged customer need and demonstrate why it is better than the competition. This translates into a very practical approach: A rep begins by identifying customers who recognise a problem that the supplier can solve and gives priority to those who are ready to act. Then, by asking questions, she surfaces a 'hook' that enables her to attach her company's solution to that problem. Part and parcel of this approach is her ability to find and nurture somebody within the customer organisation – an advocate, or coach – who can help her navigate the company and drive the deal to completion. But customers have radically departed from the old ways of buying, and sales leaders are increasingly finding that their staffs are relegated to price-driven bake-offs. One sales rep from a high-tech organisation said, 'Our customers are coming to the table armed to the teeth with a deep understanding of their problem and a well-scoped solution. It's turning many of our sales conversations into fulfilment conversations.' Reps must learn to engage customers much earlier, well before customers fully understand their own needs. In many ways, this is a strategy as old as sales itself: To win a deal, you've got to get ahead of the normal routine.

continued on the following page →

But our research shows that although that's more important than ever, it's no longer sufficient. To find out what high performing sales professionals (defined as those in the top 20% in terms of quota attainment) do differently from other reps, Corporate Executive Board conducted extensive research world-wide.

Our key finding: The top performing reps have abandoned the traditional playbook and devised a novel, even radical, sales approach. Our data show that star performers place little value on traditional practices. Instead, they work with non-traditional criteria and they adapt quickly to a very informed customer.

Source: Adamson, Dixon, & Toman, 2012, <https://hbr.org/2012/07/the-end-of-solution-sales>

Questions

1. In a group, discuss new ways in which salespeople are performing their tasks.
2. Why do you think that this new way of working is evolving?
3. In this case study, which type of sales career would be most suited to the job described? Give reasons for your opinion.

Book overview

Several important topics on personal selling are discussed in the rest of this book. In Chapter 2, the most critical skill that a salesperson requires – communication – is discussed in detail. Chapter 3 focuses on the role that culture plays in selling products and services. This is particularly important in the South African context which, with 11 official languages and an even greater number of cultures, is characterised by diversity. The business environment and external factors influence the choice of sales tactics a salesperson uses. It is therefore important for a salesperson to understand the business environment in which he or she operates. We investigate this in Chapter 4.

In sales, a salesperson can face several ethical dilemmas. Chapter 5 provides guidelines on how to deal with these difficult situations. Selling is a transaction between a seller (salesperson) and a buyer (client). Chapter 6 thus examines how the salesperson can profile and understand the customer, while Chapter 7 describes the start of the selling process. Customer service, the key to **return sales** and relationship-building, is discussed in Chapter 8. The focus of Chapter 9 is on how the salesperson can deal with and adjust to the challenges of the fourth industrial revolution. The final chapter, Chapter 10, discusses the role and functions of sales managers. Who knows, after being a successful salesperson, you might become the next sales manager.

Return sales

occur when clients or customers come back to the same organisation or business to make additional purchases.

Critical reflection

This chapter first provides an overview of the key attributes that an effective salesperson should possess. Communication, listening skills, time management and analytical abilities are the most important skills a salesperson requires. The chapter then moves into a discussion of the types of sales careers and their environments. It identifies key account managers as having strategic importance since their primary function is to ensure long-term relationships with customers are maintained. It outlines how sales managers are responsible for the performance of sales teams, while sales representatives are responsible for selling products or services. The environments in which these sales careers occur are online sales, direct selling, retail selling and agent selling. The tasks of salespeople are explained. The chapter then concludes by discussing the importance that personal selling plays in buying and selling organisations as well as in the community.

Self-test questions

1. Describe a scenario in which a salesperson uses the key salesperson attributes during a sale.
2. Discuss the different types of sales careers by providing an example of each within a large organisation.
3. Describe the different sales environments and provide an example of each.
4. Identify the tasks a salesperson must be able to complete.
5. Critically evaluate whether it is possible for one person to complete all five important tasks of a salesperson.
6. Explain the importance of personal selling in both the buying and selling organisation as well as in the local community.

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