



Effective Salesmanship

Richard T. Hise

Effective **SALESMANSHIP**

RICHARD T. HISE

Texas A & M University



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Preface

This text is designed for the basic course in selling offered at 4-year universities and colleges and 2-year colleges. In the late 1970's, the basic selling course appears to be making a comeback in the curricula of these colleges and universities. Coincident with this resurgence is the realization that the responsibilities of sales personnel have become more widespread in scope and more demanding. This text, thus, focuses on those basic concepts that are designed to help sales personnel meet these challenges.

The author assumes that there are a number of selling activities that are common to most sales positions. It is also assumed that these common tasks are best understood if they are viewed in sequential fashion. Four major basic responsibilities are identified. First, sales personnel need *information*—information about their companies, their products, the market, and competition. Second, sales personnel need to engage in *pre-presentation planning*, consisting of prospecting, obtaining and planning the sales interview, and routing. Third, the actual *presentation* needs to be given. Opening the sales presentation, obtaining desire, handling objections, and successful closing are four major elements of the presentation. Fourth, there are various *post-presentation activities* for which sales personnel are responsible. These include following up and servicing customers, paper work, handling key and marginal accounts, time management, and evaluation.

These four major activities (or responsibilities) are conveniently grouped into a model of selling which is included in the introductory chapter on page 23. This model provides the reader with a comprehensive view of the selling process, as well as serving as an indication of the content of subsequent chapters. After Chapters 2 and 3 discuss selling as a career, Chapters 4 and 5 are concerned with information requirements. Chapters 6, 7, and 8 cover pre-presentation planning. Chapters 9, 10, 11, and 12 deal with the presentation proper. Chapters 13, 14, 15,

16, and 17 provide a discussion of post-presentation activities. Various aspects of sales management are the subject of Chapters 18 and 19.

Several of these chapters are concerned with selling activities that have become increasingly important for sales personnel but that, unfortunately, are either ignored or given only superficial treatment in other selling texts. These include Chapter 8 (routing), Chapter 14 (paper work), Chapter 15 (handling key and marginal accounts), Chapter 16 (time management), and Chapter 17 (evaluation).

This text has a number of features that are designed to enhance readability and stimulate interest. The questions asked at the beginning of each chapter are designed to focus reader effort as the various chapters are studied. The chapter summaries essentially answer these questions as well as providing a convenient overview. A list of key concepts at the end of each chapter pinpoints important material. Two cases follow each chapter; they afford readers the opportunity to apply the concepts learned. End-of-chapter discussion questions encourage student thinking. Copious tables, charts, diagrams, and cartoons are available to enhance student interest.

A comprehensive instructor's manual is available to adopters. It contains lecture outlines; teaching suggestions; discussion of questions at the beginning of chapters, end-of-chapter discussion questions, and cases; student involvement projects; test bank; transparency masters; and, most appropriate for the basic selling course, 19 experiential exercises, one for each chapter.

No text is ever the effort of a single individual. The author would like to thank the following individuals who reviewed the manuscript at various stages and offered invaluable suggestions: Douglas M. Egan, Lewis and Clark College; Richard H. Goodwin, Broward Community College; Mercia Grassi, Drexel University; Joseph W. Matthews, Community College of Philadelphia; Val R. Miller, Portland Community College; Alan K. Vogel, Cuyahoga Community College; and L. M. Vukelich, Portland Community College.

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Personal Selling: An Introduction

1

OBJECTIVES

You should be attempting to answer the following questions as you read this chapter:

1. What is the definition of personal selling?
2. What are the major aspects of this definition?
3. How much employment is provided by personal selling in our economy?
4. What kinds of companies use personal selling?
5. How does personal selling relate to a firm's promotion mix?
6. What are the major objectives of personal selling and other elements of the promotion mix?
7. How does a firm's promotion mix relate to its marketing mix?
8. What product, market, and company situations support the use of personal selling?
9. Why will personal selling become more important in the future?
10. What is meant by the "new breed" in personal selling?
11. What are the four major sets of activities that sales personnel must perform?

INTRODUCTION

Personal selling is a dynamic force in our economy today. It provides employment for almost 6 million people while paying many of them attractive salaries. It is a major means whereby billions of dollars' worth of goods and services are sold each year. It is an important element of the marketing strategy of many companies. Virtually every occupation in the United States needs to use personal selling techniques at one time or another. Selling experience appears to be important for marketing executives and even companies' top executives who, in fact, are increas-

ingly engaging in top-level personal selling. Many current developments strongly suggest that personal selling will play an even more important role in industry and the economy in the future than it does today.

These points will be developed more fully in this chapter. First, however, we need to understand what personal selling is. Personal selling is the *employment of men and women who determine the needs of potential buyers and attempt to persuade these prospects to satisfy their needs through the purchase of products and services.*

There are several important aspects of this definition of personal selling. First, we note that *men or women* can be employed in the field of selling. Selling as an occupation is not solely the domain of men. Women are increasingly finding rewarding careers in personal selling. Second, it is important to understand that salespeople emphasize the *discovery of buyer needs*. Salespeople want to render a real service to their prospects, not sell them something they do not really desire. Third, the word *attempt* is very important. This means that even though the salesperson tries hard to make a sale, there will be failures — prospects will say “no.” Fourth, we notice that there is an *element of persuasion* in personal selling; this means that even when salespeople have uncovered buyer needs, they still have to convince the prospects to purchase the products and services they are offering. Fifth, the emphasis on helping potential buyers *satisfy their needs* is very important. Buyers whose needs have been met are very likely to repurchase from the same company in the future. Sixth, salespersons can be employed to sell either *products* (steel pipes, breakfast cereal, ball bearings, blue jeans, bicycles) or *services* (life insurance, vacations, stocks, baseball tickets). In fact, in our increasingly services-oriented society opportunities in selling services are outpacing those available in selling products. Seventh, there is a strong hint of *professionalism* throughout this definition of personal selling. Professional salespersons concentrate on individuals who are potential buyers because the products or services being offered can honestly satisfy their needs. The prospects, and *their* requirements, therefore, are put at the center of the salesperson’s selling efforts. Professional salespeople view themselves as problem solvers for the prospects. They do not try to force unneeded products or services on potential buyers.

EMPLOYMENT IN PERSONAL SELLING

In 1977, there were 5,794,000 men and women employed as salespeople, representing 6.5% of all individuals working. Fifty-eight percent of all sales personnel in 1977 were male; 42% were women.

In 1977 salesmen accounted for 6.3% of all males employed, a rise from 5.6% in 1970. Saleswomen represented 6.7% of all women employed in 1977. This was a slight drop from 1972, when 7.0% of all women employed were saleswomen.¹

COMPANIES USING PERSONAL SELLING

Manufacturing firms, wholesalers, and retailers make extensive use of salespersons in selling their products. So do service companies, such as insurance firms, stockbrokers, advertising agencies, and television and radio stations.

MANUFACTURING FIRMS

In Figure 1.1, we can see the three ways in which manufacturers of consumer products move these products to ultimate consumers. About one-half of all manufactured consumer products move through wholesalers and retailers before reaching consumers. Thus, salespeople from these manufacturing firms attempt to persuade wholesalers to purchase their products. Around 45% of manufactured consumer products go straight to retailers, and then to final consumers. Wholesalers are eliminated. Salespeople with these manufacturers try to get their products purchased by retailing firms. Figure 1.1 shows that about 5% of manufactured consumer products go directly to consumers, bypassing *both* wholesalers and retailers. Products such as cosmetics (Avon), encyclopedias (Britannica), brushes (Fuller), and magazines are sold in this manner, and salespeople help to sell them.

In Figure 1.2, we see the two major ways that manufactured industrial products are sold. About 80% move direct-

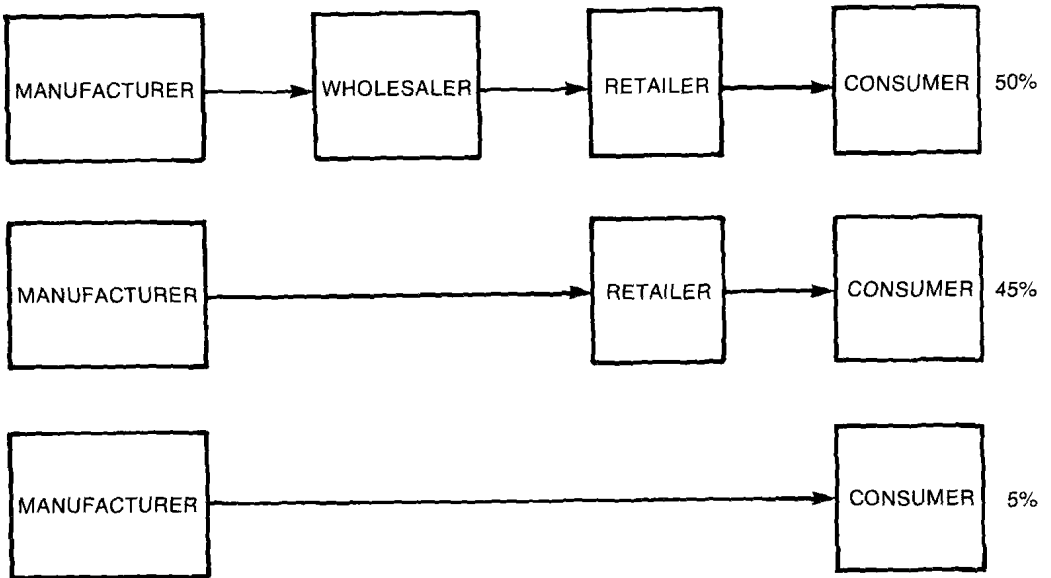


Figure 1.1. Channels of distribution for manufactured consumer products.

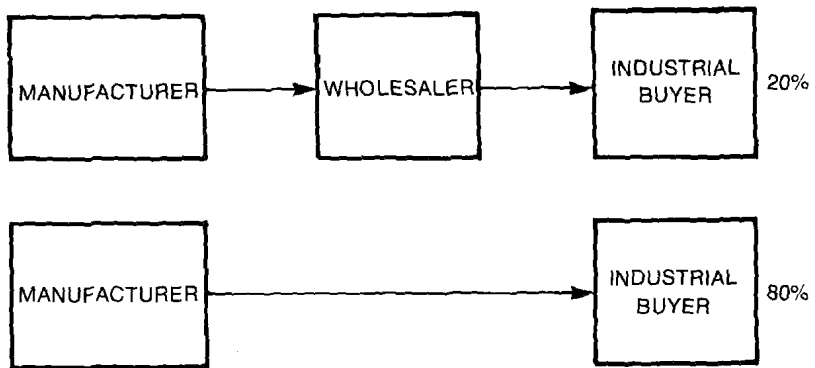


Figure 1.2. Channels of distribution for manufactured industrial products.