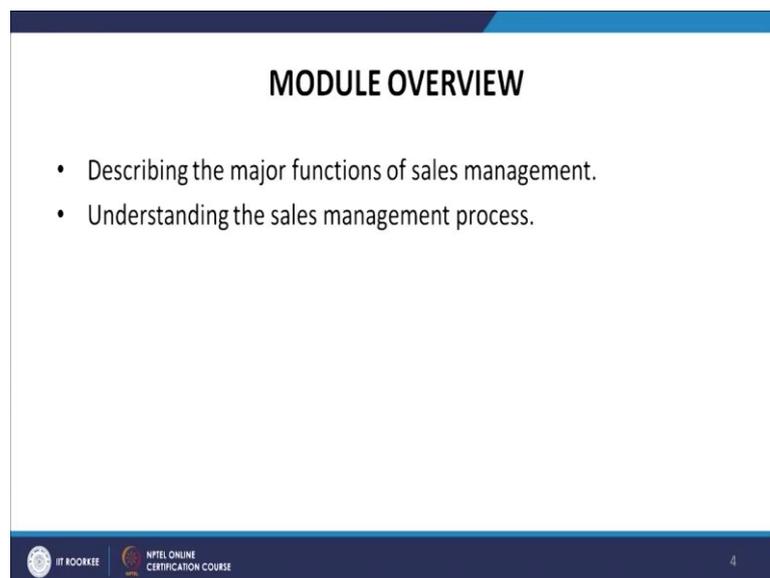


Introduction to Marketing Essentials
Prof. Zillur Rahman
Department of Management Studies
Indian Institute of Technology, Roorkee

Lecture – 38
Personal Selling and Sales Management – II

Welcome to Introduction to Marketing Essentials. Now, we will talk about module 38 and this also talks about Personal Selling and Sales Management as was done in a module 37. Now, let us look at what are the things that will be covered in this module, that is, module 38. In this module, we will describe the major functions of sales management and then go about understanding the sales management process.

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MODULE OVERVIEW

- Describing the major functions of sales management.
- Understanding the sales management process.

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INTRODUCTION

- Sales force management plays a critical role in achieving a company's broader marketing objectives.
- Although firms differ in the specifics of how salespeople and the selling effort are managed, the sales management process is similar across firms.
- Sales management consists of three interrelated functions:(a) sales plan formulation, (b) sales plan implementation, and (c) evaluation of the salesforce (see figure 38.1).

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To start the sales force management plays a critical role in achieving a company's broader marketing objectives. Although firms differ in the specifics of how salespeople and the selling effort are managed, the sales management process is similar across the firms. So, the objectives may be different, but the process is same. Sales management consists of three interrelated functions. The first is sales plan formulation, the second is sales plan implementation and the last is evaluation of the sales force.

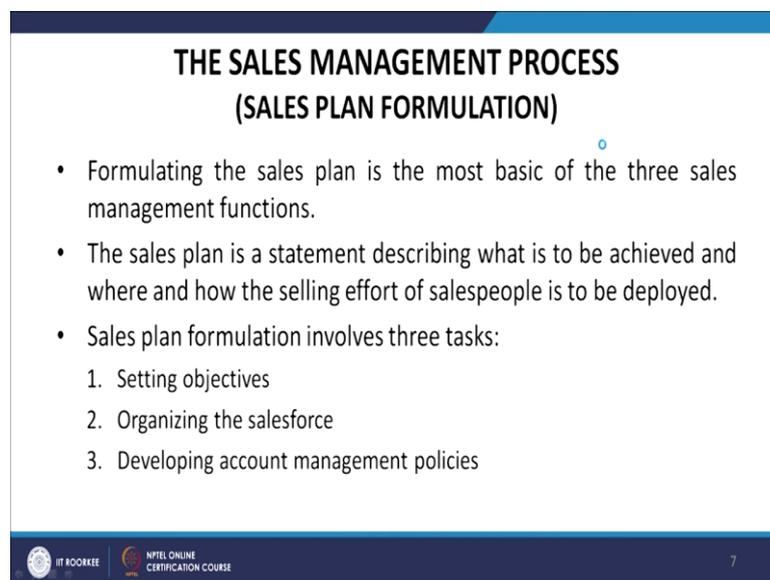
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These are the three stages of this process. Starting with the sales plan formulation, so, that is the 1st stage. Here it includes setting objectives, organizing the salesforce and developing account management policies. The 2nd stage of this process is the sales plan implementation. So, salesforce recruitment and selection sales followed by salesforce training and salesforce motivation and compensation.

And, the 3rd is step in this process is the salesforce evaluation quantitative assessment and qualitative or behavioural evaluation.

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**THE SALES MANAGEMENT PROCESS
(SALES PLAN FORMULATION)**

- Formulating the sales plan is the most basic of the three sales management functions.
- The sales plan is a statement describing what is to be achieved and where and how the selling effort of salespeople is to be deployed.
- Sales plan formulation involves three tasks:
 1. Setting objectives
 2. Organizing the salesforce
 3. Developing account management policies

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So, now let us look at the sales plan formulation that is the first step of this process. Formulating the sales plan is the most basic of the three sales management functions. The sales plan is a statement describing what is to be achieved and where and how the selling effort of sales people is to be deployed.

Sales plan formulation involves three tasks: 1st is setting objectives, then organizing the salesforce and the 3rd is developing account management policies.

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THE SALES MANAGEMENT PROCESS
(SALES PLAN FORMULATION)] 1st step

1. Setting Objectives:

- Setting objectives is central to sales management because this task specifies what is to be achieved.
- In practice, objectives are set for the total salesforce and for each salesperson.
- Selling objectives can be output related and focus on rupee or unit sales volume, number of new customers added, and profit.
- Alternatively, they can be input related and emphasize the number of sales calls and selling expenses.

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So, now what are these three things? We will start with the first one that is setting objectives and we are talking about the first step of this process. So, this is the first step of this process that is the sales management process and the first step in the sales management formulation is setting objectives. So, setting objectives is central to sales management because this task specifies what is to be achieved.

In practice, objectives are set for the total salesforce and for each sales person individually. Selling objectives can be output related and focus on rupee or unit sales volume, number of new customers added, or profit. Alternatively, they can be input related and emphasize the number of sales call and selling expenses.

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THE SALES MANAGEMENT PROCESS
(SALES PLAN FORMULATION)

1. Setting Objectives:

- Output- and input- related objectives are used for the salesforce as a whole and for each salesperson.
- Another type of objective that is behaviorally related is typically specific for each salesperson and includes his or her product knowledge, customer service satisfaction ratings, and selling and communication skills.

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Output and input related objectives are used for the salesforce as a whole and for each salesperson. Another type of objective that is behaviourally related is typically specific for each salesperson and includes his or her product knowledge, customer's service satisfaction ratings, and selling and communication skills.

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THE SALES MANAGEMENT PROCESS
(SALES PLAN FORMULATION)

1. Setting Objectives:

- Whatever objectives are set, they should be precise and measurable and specify the time period over which they are to be achieved.
- Once established, these objectives serve as performance standards for the evaluation of the salesforce, the third function of sales management.

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Whatever objectives are set, they should be precise and measurable and specify the time period over which they are to be achieved. Once established, these objectives serve as the performance standards for the evaluation of the salesforce, and the third function of

the sales management. The second step in this process is organizing the salesforce establishing the sales organization is the second task in formulating the sales plan.

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THE SALES MANAGEMENT PROCESS
(SALES PLAN FORMULATION)

2. Organizing the Salesforce:

- Establishing a selling organization is the second task in formulating the sales plan.
- There is no one best sales organization for all companies in all situations. However, the organization of the salesforce should reflect the marketing strategy of the firm.
- Companies organize their salesforce on the basis of:
 - Geography
 - Customer
 - Product or Service

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There is no one best sales organization for all companies in all situations. However, the organization of the salesforce should reflect the marketing strategy of the firm. So, companies organize their salesforce on the basis of geography, customer or product or service.

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THE SALES MANAGEMENT PROCESS
(SALES PLAN FORMULATION)

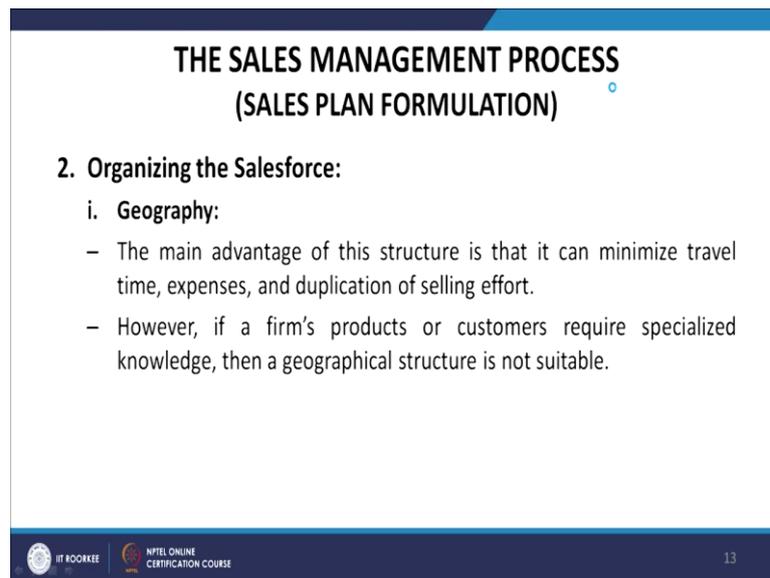
2. Organizing the Salesforce:

- Geography:**
 - A geographical structure is the simplest organization, where the country, or the entire world, is first divided into regions and each region is divided into districts or territories.
 - Salespeople are assigned to each district with defined geographical boundaries and call on all customers and represent all products sold by the company.

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Now, how they go about doing it on the basis of geography? A geographical structure is the simplest organization, where the country or the entire world is the first divided into regions and each region is divided into district or territories. Sales persons are assigned to each district with defined geographical boundaries and call on our customers and represent all products sold by the company.

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THE SALES MANAGEMENT PROCESS
(SALES PLAN FORMULATION)

2. Organizing the Salesforce:

i. Geography:

- The main advantage of this structure is that it can minimize travel time, expenses, and duplication of selling effort.
- However, if a firm's products or customers require specialized knowledge, then a geographical structure is not suitable.

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The main advantage of this structure is that it can minimize travel time, expenses, and duplication of selling efforts. However, if a firm's product or customers require this specialized knowledge, then a geographical structure is not suitable.

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THE SALES MANAGEMENT PROCESS
(SALES PLAN FORMULATION)

2. Organizing the Salesforce:

ii. Customer:

- A customer sales organizational structure is used when different types of buyers have different needs.
- In practice this means that a different salesforce calls on each separate type of buyer or marketing channel.
- For example, Kodak switched from a geographical to a marketing channel structure with different sales teams serving specific retail channels: mass merchandisers, photo specialty outlets, and food and drug stores.

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Then comes another type of organizing the salesforce is on the basis of the customer. So, customer sales organization structure is used when different types of buyers have different needs. In practice this means that different salesforce calls on each separate type of buyer or marketing channel.

For example, Kodak switched from a geographical to a marketing channel structure with different sales team serving specific retail channels: mass merchandisers, photo speciality outlets and food and drug stores.

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THE SALES MANAGEMENT PROCESS
(SALES PLAN FORMULATION)

2. Organizing the Salesforce:

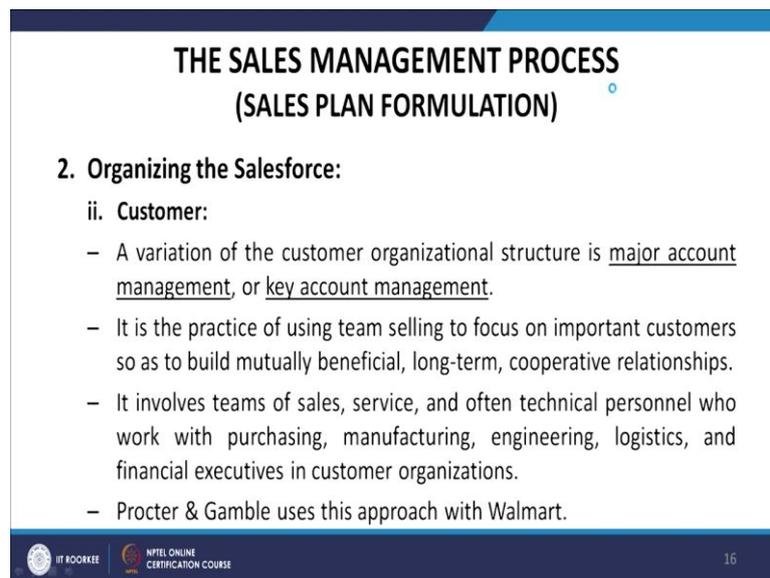
ii. Customer:

- The rationale for this approach is that more effective, specialized customer support and knowledge are provided to buyers.
- However, this structure often leads to higher administrative costs and some duplication of selling effort, because two separate salesforces are used to represent the same products.

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The rationale for this approach is that more effective specialized customer support and knowledge are provided to the buyers. However, this structure often leads to higher administrative cost and some duplication of selling efforts, because two separate sales forces are used to represent the same product one to one type of customer and another type of another salesforce to another type of customers, although they will be selling the same thing.

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THE SALES MANAGEMENT PROCESS
(SALES PLAN FORMULATION)

2. Organizing the Salesforce:

ii. **Customer:**

- A variation of the customer organizational structure is major account management, or key account management.
- It is the practice of using team selling to focus on important customers so as to build mutually beneficial, long-term, cooperative relationships.
- It involves teams of sales, service, and often technical personnel who work with purchasing, manufacturing, engineering, logistics, and financial executives in customer organizations.
- Procter & Gamble uses this approach with Walmart.

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So, a variation of the customers organizational structure is major account management, or key accounts management. It is the practice of using team selling to focus on important customers so as to build mutually beneficial, long-term, cooperative relationships. It involves teams of sales, service, and other technical personnel who work with purchasing manufacturing engineering logistics and financial executives in customer organizations.

Procter and Gamble use this approach with Wal-Mart. So, Procter and Gamble have this kind of salesforce to sell to Wal-Mart.

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THE SALES MANAGEMENT PROCESS
(SALES PLAN FORMULATION)

2. Organizing the Salesforce:

iii. Product or Service:

- A product sales organizational structure is used when specific knowledge is required to sell a product.
- For example, Dalmia Bharat Group has a salesforce that sells sugar to retailers and another that sells specialty cement products to manufacturers.

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The third type of this organization is product or service based. A product sales organizational structure is used when a specific knowledge is required to sell a product. For example, Dalmia Bharat Group has a salesforce that sells sugars to retailers and another salesforce that sells speciality cement products to manufacturers.

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THE SALES MANAGEMENT PROCESS
(SALES PLAN FORMULATION)

2. Organizing the Salesforce:

iii. Product or Service:

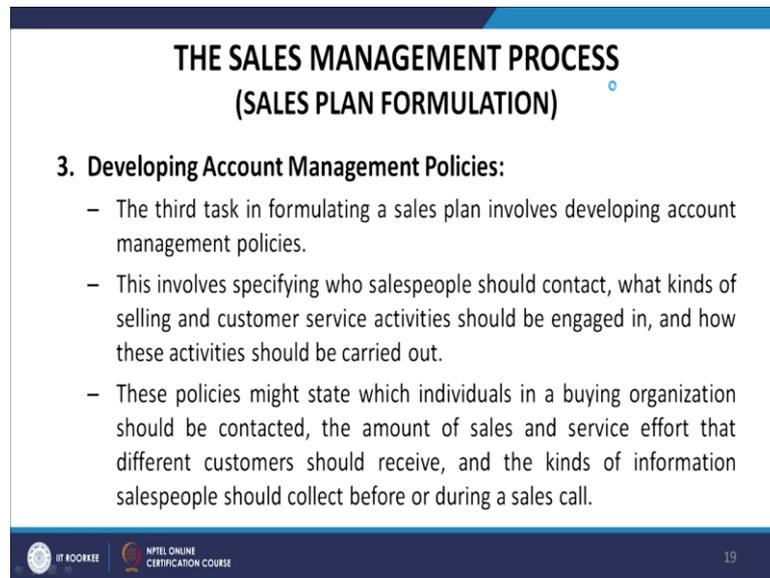
- The primary advantage of this structure is that salespeople can develop expertise with technical characteristics, applications, and selling methods associated with a particular product or family of products.
- However, this structure also produces high administrative costs and duplication of selling effort because two company salespeople may call on the same customer.

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The primary advantage of this structure is that sales people can develop expertise with technical characteristics, applications and selling methods associated with a particular product or family of products.

However, this structure also produces high administrative costs and duplication of selling efforts because two companies' sales people may call on the same customer selling different things.

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**THE SALES MANAGEMENT PROCESS
(SALES PLAN FORMULATION)**

3. Developing Account Management Policies:

- The third task in formulating a sales plan involves developing account management policies.
- This involves specifying who salespeople should contact, what kinds of selling and customer service activities should be engaged in, and how these activities should be carried out.
- These policies might state which individuals in a buying organization should be contacted, the amount of sales and service effort that different customers should receive, and the kinds of information salespeople should collect before or during a sales call.

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Now, let us look at this third step of this sales plan formulation that is developing account management policies. The third task in formulating a sales plan involves developing account management policies. So, this involves specifying who sales people should contact, what kinds of selling and customer service activity should be engaged in, and how these activities should be carried out. So, now you see that now we are training the salespeople how to go about contacting what to say, how to say etcetera to the customers.

These policy might state which individual in a buying organization should be contacted, the amount of sales and service efforts that different customers should receive, and the kinds of information sales person should collect before or during a sales call.

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**THE SALES MANAGEMENT PROCESS
(SALES PLAN FORMULATION)**

3. Developing Account Management Policies:

- An example of an account management policy in Figure 38.2 shows how different accounts or customers can be grouped according to level of opportunity and the firm's competitive sales position.
- When specific account names are placed in each cell, salespeople clearly see which accounts should be contacted, with what level of selling and service activity, and how to deal with them.

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An example of an account management policy is given in the figure 38.2. It shows how different accounts or customers can be grouped according to level of opportunity and the firm's competitive sales position. When specific account names are placed in each cell, sales person clearly sees which account should be contacted, with what level of selling and service activity, and how to deal with them.

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**THE SALES MANAGEMENT PROCESS
(SALES PLAN FORMULATION)**

3. Developing Account Management Policies:

- For example accounts in cells 1 and 2 might have high frequencies of personal sales calls and increased time spent on a call.
- Cell 3 accounts will have lower call frequencies, and cell 4 accounts might be contacted through telemarketing or direct mail rather than in person.

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For example, accounts in cell 1 and 2 might have high frequencies of personal sales call and increase time spent on a call. Cell 3 accounts will have a lower call frequencies and

cell 4 account might be contacted through telemarketing or direct mail rather than in person.

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So, this is what this looks like. So, this is an account management policy grid, grouping customers according to level of opportunity and the firm's competitive sales position. So, now, you see that on this here we have this competitive position of sales organization and it varies from high to low, then we have this account opportunity level it varies from high to low and these are the four cells – 1, 2, 3 and 4.

Now, let us look at what happens in 1. So, the first is attractiveness: accounts offer a good opportunity because they have high potential and the sales organization has a strong position. Account management policy includes accounts should receive a high level of sales calls and service to retain and possibly build account.

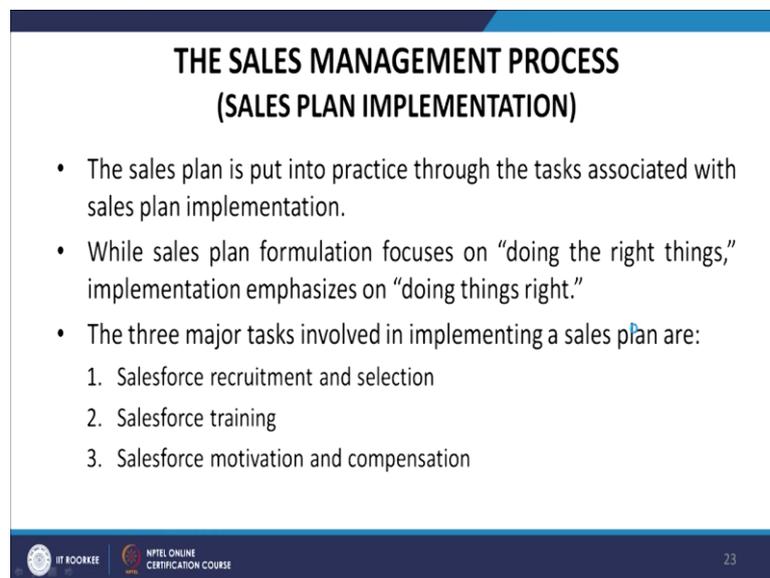
In the 2nd cell where the account opportunity level is low, but competitive position of sales organization is high. The attractiveness is accounts are somewhat attractive because the sales organization has a strong position, but future opportunities are limited. While the account management policy says that account should receive a moderate level of sales and service to maintain the current position of the sales organization.

Now, let us move on to the 3rd cell that is where this competitive position of sales organization is low, but account opportunity level is high. Here the attractiveness is the

account may offer a good opportunity if the sales organization can overcome its weak position. The account management policy includes emphasizing a heavy sales organization position or shift resources to other accounts if a stronger sales organization position is impossible.

In this fourth quadrant here where both the account opportunity level and competitive position of sales organization both of them are at a low. Here the attractiveness means accounts offer little opportunity and the sales organization position is weak. And, the account management policy sees consider replacing personal calls with telephone sales or direct mail to service accounts. Consider dropping the account if unprofitable.

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THE SALES MANAGEMENT PROCESS
(SALES PLAN IMPLEMENTATION)

- The sales plan is put into practice through the tasks associated with sales plan implementation.
- While sales plan formulation focuses on “doing the right things,” implementation emphasizes on “doing things right.”
- The three major tasks involved in implementing a sales plan are:
 1. Salesforce recruitment and selection
 2. Salesforce training
 3. Salesforce motivation and compensation

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So, thus now let us move on to the sales plan implementation. So, the first step was the formulation, the second is implementation. The sales plan is put into practice through the tasks associated with the sales plan implementation. While sales plan formulation focuses on doing the right things implementation emphasizes on doing things right.

So, the three major tasks involved in implementing a sales plan are first is the salesforce recruitment and selection; the second is salesforce training, followed by salesforce motivation and compensation.

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THE SALES MANAGEMENT PROCESS
(SALES PLAN IMPLEMENTATION)

1. Salesforce recruitment and selection:

- Effective recruitment and selection of salespeople is one of the most crucial tasks of sales management.
- It entails finding people who match the type of sales position required by a firm.
- Recruitment and selection practices will differ greatly between order-taking and order-getting sales positions, given the differences in the demands of these two jobs.

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Now, let us look at what happens in salesforce recruitment and selection. An effective recruitment and selection of salesperson is one of the most crucial tasks of sales management. It entails finding people who match the type of sales position required by a firm.

Recruitment and selection practices will differ greatly between order-taking and order-getting sales positions, given the difference in the demand of these two jobs.

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THE SALES MANAGEMENT PROCESS
(SALES PLAN IMPLEMENTATION)

1. Salesforce recruitment and selection:

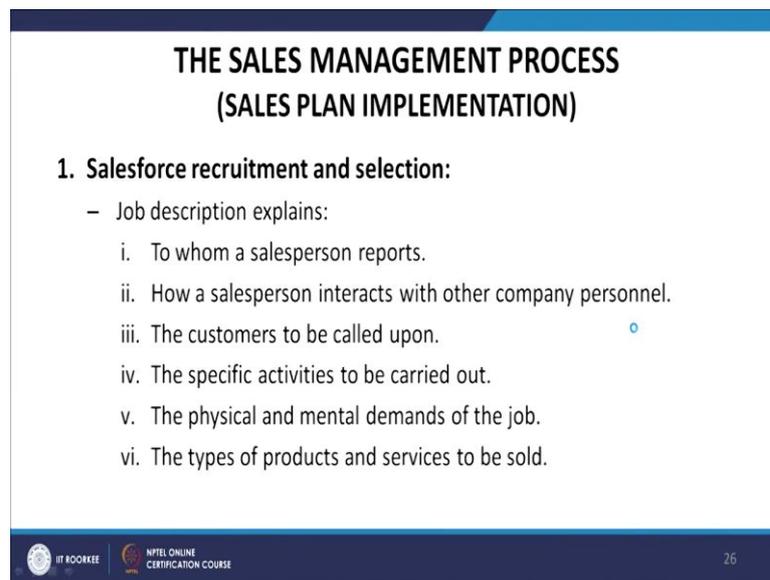
- Therefore, recruitment and selection begin with a carefully crafted job analysis and job description followed by a statement of job qualifications.
- A job analysis is a study of a particular sales position, including how the job is to be performed and the tasks that make up the job.
- Information from a job analysis is used to write a job description, a written document that describes job relationships and requirements that characterize each sales position.

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Therefore, recruitment and selection begin with a carefully crafted job analysis and job description followed by a statement of job qualification. Now, let us look at what are these things. A job analysis is a study of a particular sales position, including how the job is to be performed and the tasks that make up the job.

Information from a job analysis is used to write a job description, a written document that describes jobs relationships and requirement that characterize each sales position.

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**THE SALES MANAGEMENT PROCESS
(SALES PLAN IMPLEMENTATION)**

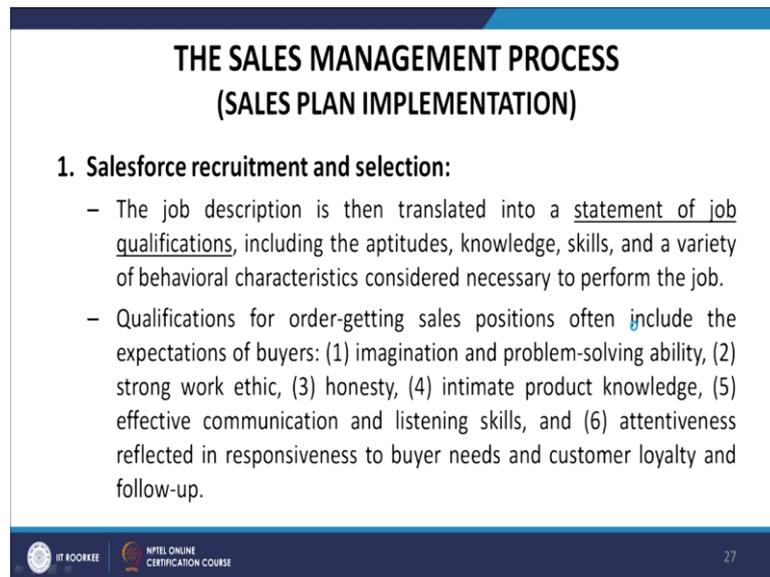
1. Salesforce recruitment and selection:

- Job description explains:
 - i. To whom a salesperson reports.
 - ii. How a salesperson interacts with other company personnel.
 - iii. The customers to be called upon.
 - iv. The specific activities to be carried out.
 - v. The physical and mental demands of the job.
 - vi. The types of products and services to be sold.

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And the job description explains to whom the sales person reports; how a sales person interact with other company personnel; the customer to be called upon; the specific activities to be carried out; the physical and mental demands of the job, and the type of products and services to be sold.

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THE SALES MANAGEMENT PROCESS
(SALES PLAN IMPLEMENTATION)

1. Salesforce recruitment and selection:

- The job description is then translated into a statement of job qualifications, including the aptitudes, knowledge, skills, and a variety of behavioral characteristics considered necessary to perform the job.
- Qualifications for order-getting sales positions often include the expectations of buyers: (1) imagination and problem-solving ability, (2) strong work ethic, (3) honesty, (4) intimate product knowledge, (5) effective communication and listening skills, and (6) attentiveness reflected in responsiveness to buyer needs and customer loyalty and follow-up.

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So, the job description is then translated into a statement of job qualification including the aptitudes, knowledge, skills and a variety of behavioural characteristics considered necessary to perform the job.

Qualification for order-getting sales positions often includes the expectations of buyers. So, the 1st is imagination and problem solving ability; 2nd is a strong work ethics; the 3rd is honesty; 4 is intimate product knowledge; 5th is effective communication and listening skills and the 6th is attentiveness reflected in responsiveness to buyers need and customer loyalty and follow-up.

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**THE SALES MANAGEMENT PROCESS
(SALES PLAN IMPLEMENTATION)**

1. Salesforce recruitment and selection:

- Firms use a variety of methods for evaluating prospective salespeople.
- Personal interviews, reference checks, and background information provided on application forms are the most frequently used methods.

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Firms use a variety of methods for evaluating prospective salespeople. Personal interviews, reference checks, and background information provided on application forms are the most frequently used methods.

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**THE SALES MANAGEMENT PROCESS
(SALES PLAN IMPLEMENTATION)**

2. Salesforce Training:

- The recruitment and selection of salespeople is a one-time event, but salesforce training is an ongoing process that affects both new and seasoned salespeople.
- Sales training covers much more than selling practices. For example, IBM Global Services salespeople sell consulting and various information technology services.
- To provide state of the art services salespeople at IBM take at least two weeks of in-class and internet-based training on both consultative selling and the technical aspects of business.

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The 2nd step is salesforce training. The recruitment and selection of sales people is a one-time event. So, now, it may take a lot of time and money to recruit and select a salesperson, but salesforce training is an ongoing process and that affects both new and seasoned salespeople.

So, the sales training happens for both, the new salespeople and those who are already working in the company. But, although this recruitment and selection is a one-time process, but this training keeps on happening.

So, the training for the new salespeople will be different from that of the seasoned salespeople, but still it is an ongoing process. So, sales training covers much more than selling practices. For example, IBM global service sales people sell consulting and various information technology services.

To provide the state of the art services salespeople at IBM take at least two weeks of in class and internet based training on both consultative selling and the technical aspect of business. So, now, you see that this is how they go about training their sales people.

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THE SALES MANAGEMENT PROCESS
(SALES PLAN IMPLEMENTATION)

2. Salesforce Training:

- On-the-job training is the most popular type of training, followed by individual instruction taught by experienced salespeople.
- Formal classes, seminars taught by sales trainers, and computer-based training are also popular.

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On-the-job training is the most popular type of training, followed by individual instructions taught by experienced salespeople. So, it is on-the-job training. So, when they are selling. So, they get trained and also it is followed by instruction from the experienced salesperson; experienced salesperson are those people those who have already gone through this process.

Formal classes, seminars taught by sales trainers, and computer-based training are also popular there.

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THE SALES MANAGEMENT PROCESS
(SALES PLAN IMPLEMENTATION)

3. Salesforce Motivation and Compensation:

- A sales plan cannot be successfully implemented without motivated salespeople.
- Research on salesperson motivation suggests that (1) a clear job description, (2) effective sales management practices, (3) a personal need for achievement, and (4) proper compensation, incentives, or rewards will produce a motivated salesperson.
- The importance of compensation as a motivating factor means that close attention must be given to how salespeople are financially rewarded for their efforts.

IT ROORKEE | NPTEL ONLINE CERTIFICATION COURSE | 31

Another thing that is important here is and which is the third step is the salesforce motivation and compensation. Now, you see that company has spent lots of money in identification and hiring of the people. So, now, they have to retain those salespeople and that will depend upon their motivation and compensation. So, a salesplan cannot be successfully implemented without motivated salespeople.

Research on salesperson motivation suggests that a clear job description should be there; there should be effective sales management practices; a personal need for achieve achievement and proper compensation, incentives or rewards that will produce a motivated salespeople. So, it is not only about compensation or incentives, but other things also that will produce a motivated salesperson.

The importance of compensation as a motivating factor means that close attention must be given to how salesperson are financially rewarded for their efforts.

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THE SALES MANAGEMENT PROCESS
(SALES PLAN IMPLEMENTATION)

3. Salesforce Motivation and Compensation:

- Salespeople are paid using one of three plans:
 - straight salary,
 - straight commission, or
 - a combination of salary and commission.
- Each compensation plan has its advantages and disadvantages.

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And, the sales people are paid using one of these three plans. So, either they get paid through straight salary or straight commissions only or a combination of salary and commission both of them. Each compensation plan has its advantages and disadvantages.

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THE SALES MANAGEMENT PROCESS
(SALES PLAN IMPLEMENTATION)

3. Salesforce Motivation and Compensation:

- Straight salary:**
 - Under a straight salary compensation plan, a salesperson is paid a fixed fee per week, month, or year.
 - A straight salary plan is easy to administer and gives management a large measure of control over how salespeople allocate their efforts.
 - However, it provides little incentive to expand sales volume. This plan is used when salespeople engage in many non-selling activities, such as account or customer servicing.

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Now, let us look at what is this straight salary. Under a straight salary compensation plan, a salesperson is paid a fixed fee per week, month or a year. A straight salary plan is easy to administer and gives management a large measure of control over how sales peoples allocate their efforts.

However, it provides little incentive to expand sales volume because at the end of the day the salesperson will get the same salary. So, this plan is used when salespeople engage in many non-selling activities such as account or customer servicing.

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THE SALES MANAGEMENT PROCESS
(SALES PLAN IMPLEMENTATION)

3. Salesforce Motivation and Compensation:

ii. **Straight commission:**

- With a straight commission compensation plan, a salesperson's earnings are directly tied to the sales or profit generated.
- For example, an insurance agent might receive a 2 percent commission of ₹2,000 for selling a ₹1,00,000 life insurance policy.
- A straight commission plan provides the maximum amount of selling incentive but can discourage salespeople from providing customer service.
- This plan is common when non-selling activities are minimal.

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The second type of compensation is straight commission. With a straight commission compensation plan, a sales person's earning are directly tied to the sales or profit generated. For example, an insurance agent might receive a 2 percent commission of rupees 2,000 for selling a 100,000 life insurance policy.

A straight commission plan provides the maximum amount of selling incentives, but can discourage salespeople from providing customer service. This plan is common when non-selling activities are minimal.

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**THE SALES MANAGEMENT PROCESS
(SALES PLAN IMPLEMENTATION)**

3. Salesforce Motivation and Compensation:

iii. Combination of salary and commission:

- This plan contains a specified salary plus a commission on sales or profit generated.
- Combination plans are most preferred by salespeople and attempt to build on the advantages of salary and commission plans while reducing the potential shortcomings of each.
- A majority of companies use combination plans today.

IT ROORKEE | NPTEL ONLINE CERTIFICATION COURSE | 35

And, the 3rd is the combination of salary and commission. The plan contains a specified salary plus the commission on sales or profit generated. Combination plans are most preferred by salesperson and attempt to build on the advantages of salary and commission plans while reducing the potential shortcomings of each. A majority of company use combination plans today.

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**THE SALES MANAGEMENT PROCESS
(SALES PLAN IMPLEMENTATION)**

3. Salesforce Motivation and Compensation:

- Nonmonetary rewards are also given to salespeople for meeting or exceeding objectives.
- These rewards include trips, honor societies, distinguished salesperson awards, and letters of commendation.
- Some unconventional rewards include the new pink Cadillacs and Buicks and jewelry given by Mary Kay Cosmetics to outstanding salespeople. Mary Kay, with 12,000 cars, has the largest fleet of General Motors cars in the world.

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Then some non monetary rewards are also given to salespeople for meeting or exceeding the company's objectives or the sales objectives. These rewards include trips, honor societies, distinguished salesperson award, and letters of commendation.

Some unconventional rewards include the new pink Cadillac and Buicks and jewellery given by Mary Kay cosmetics to outstanding salesperson. Mary Kay in with 12,000 cars has a largest fleet of General Motors car in the world.

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**THE SALES MANAGEMENT PROCESS
(SALESFORCE EVALUATION)**

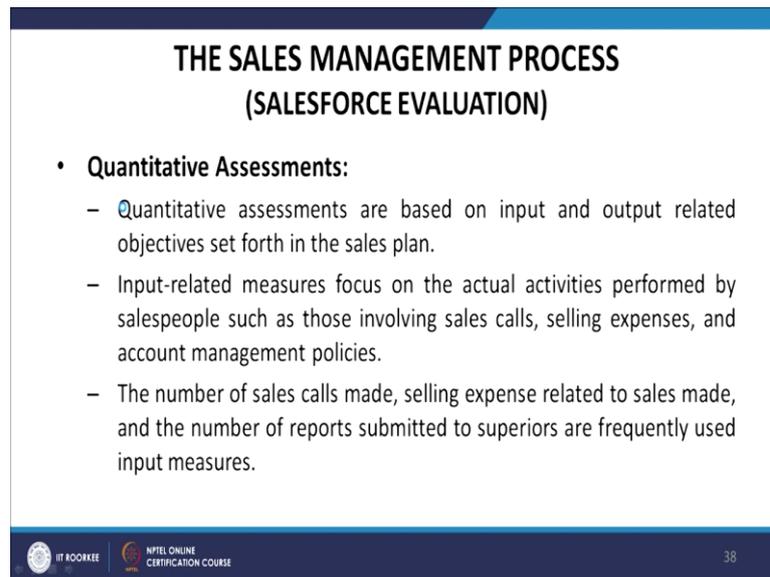
- The final function in the sales management process involves evaluating the salesforce.
- It is at this point that salespeople are assessed as to whether sales objectives were met and account management policies were followed.
- Both quantitative and behavioral measures are used to tap different selling dimensions.

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Then comes salesforce evaluation. The final function in the sales management process involves evaluating the salesforce. So, now, at the last comes this evaluating the salesforce which is also a very important part of this sales management process.

It is at this point that sales people are assessed as to whether sales objectives were met and account management policies were followed or not. And, here both these quantitative and behavioural measures are used to tap different selling dimensions.

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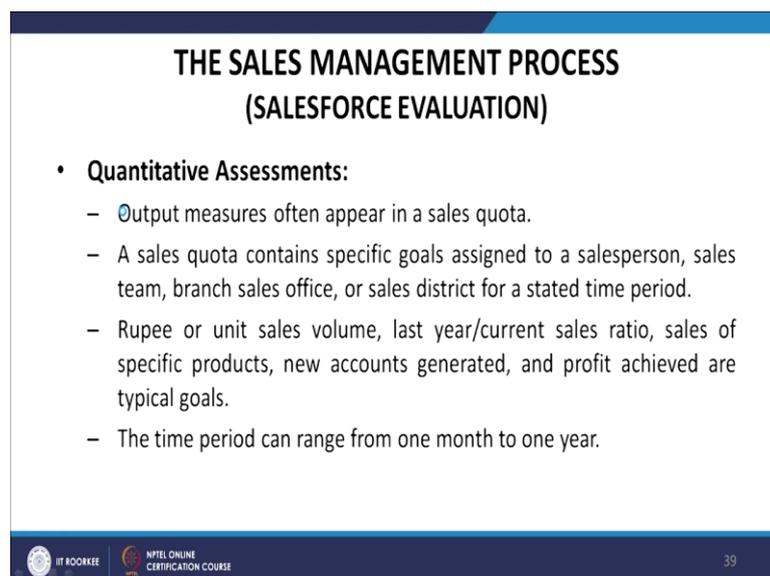
**THE SALES MANAGEMENT PROCESS
(SALESFORCE EVALUATION)**

- **Quantitative Assessments:**
 - Quantitative assessments are based on input and output related objectives set forth in the sales plan.
 - Input-related measures focus on the actual activities performed by salespeople such as those involving sales calls, selling expenses, and account management policies.
 - The number of sales calls made, selling expense related to sales made, and the number of reports submitted to superiors are frequently used input measures.

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Now, let us look at what is this quantitative assessment. Quantitative assessments are based on input and output related objectives set forth in the sales plan. Input related measures focus on the actual activities performed by sales people such as those involving sales calls, selling expenses and account management policies. The number of sales calls made selling expenses related to sales made and the number of reports submitted to superiors are frequently used input measures.

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**THE SALES MANAGEMENT PROCESS
(SALESFORCE EVALUATION)**

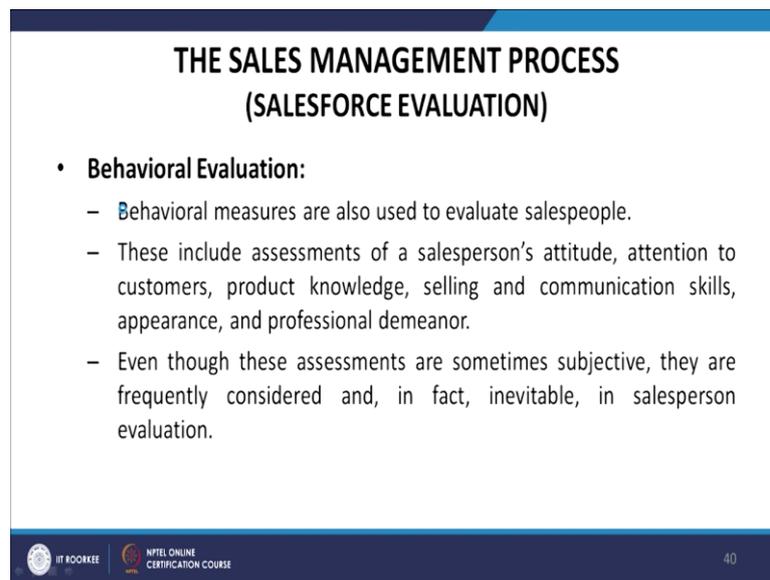
- **Quantitative Assessments:**
 - Output measures often appear in a sales quota.
 - A sales quota contains specific goals assigned to a salesperson, sales team, branch sales office, or sales district for a stated time period.
 - Rupee or unit sales volume, last year/current sales ratio, sales of specific products, new accounts generated, and profit achieved are typical goals.
 - The time period can range from one month to one year.

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Output measures often appear in a sales quota. A sales quota contains specific goals assigned to a sales person, sales team, branch sales office or a sales district for a stated period of time.

Rupee or unit sales volume, last year current sales ratio, sales of a specific products, new accounts generated, and profits achieved are the typical goals. The time period can range from one month to one year.

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**THE SALES MANAGEMENT PROCESS
(SALESFORCE EVALUATION)**

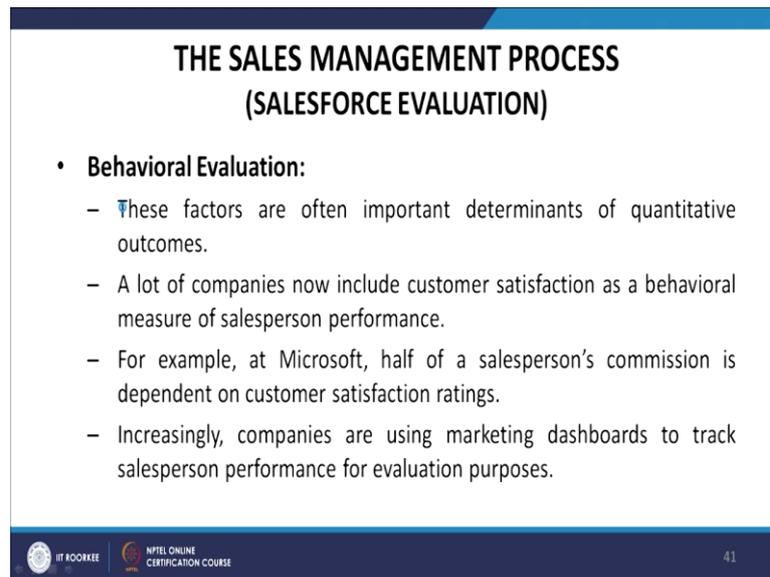
- **Behavioral Evaluation:**
 - Behavioral measures are also used to evaluate salespeople.
 - These include assessments of a salesperson's attitude, attention to customers, product knowledge, selling and communication skills, appearance, and professional demeanor.
 - Even though these assessments are sometimes subjective, they are frequently considered and, in fact, inevitable, in salesperson evaluation.

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The next is the behavioural evaluation or the qualitative evaluation of the salesforce. So, behavioural measures are also used to evaluate salespeople. These include assessments of a salespersons attitude, attention to customers, product knowledge, selling and communication skills, appearance, and professional demeanour.

Even though these assessments are sometimes subjective, they are frequently considered and, in fact, inevitable, in salesperson evaluation.

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THE SALES MANAGEMENT PROCESS
(SALESFORCE EVALUATION)

- **Behavioral Evaluation:**
 - These factors are often important determinants of quantitative outcomes.
 - A lot of companies now include customer satisfaction as a behavioral measure of salesperson performance.
 - For example, at Microsoft, half of a salesperson's commission is dependent on customer satisfaction ratings.
 - Increasingly, companies are using marketing dashboards to track salesperson performance for evaluation purposes.

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These factors are often important determinants of quantitative outcomes. A lot of companies now include customer satisfaction as a behavioural measure of salesperson performance.

For example, at Microsoft, half of a salesperson commission is dependent on customer satisfaction ratings. Increasingly, companies are using marketing dashboards to track sales people performance for evaluation purposes.

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THE SALES MANAGEMENT PROCESS

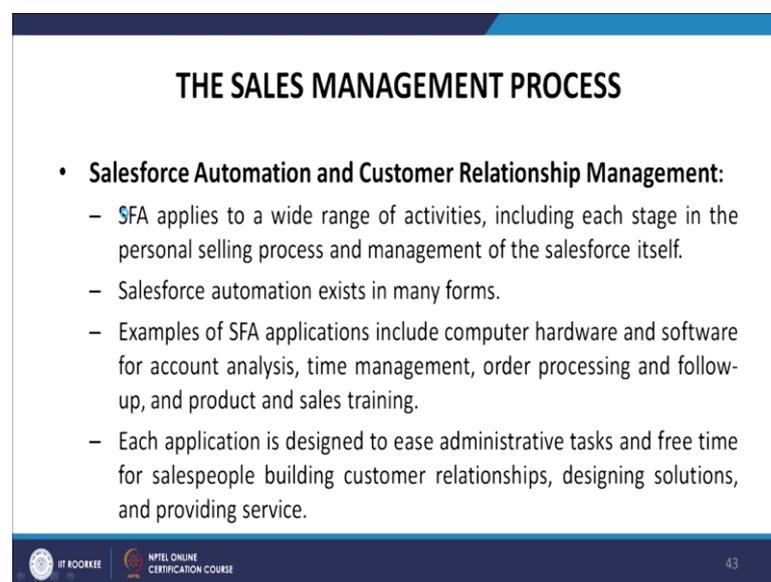
- **Salesforce Automation and Customer Relationship Management:**
 - Personal selling and sales management have undergone a technological transformation with the integration of salesforce automation and customer relationship management processes.
 - The convergence of computer, information, communication, and Internet technologies has transformed the sales function in many companies and made the promise of customer relationship management a reality.
 - Salesforce automation (SFA) is the use of these technologies to make the sales function more effective and efficient.

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Next comes salesforce automation and customer relationship management. So, personal selling and sales management have undergone a technological transformation with the integration of salesforce automation and customer relationship management processes.

The convergence of computers, information, communication, and internet technologies have transformed the sales function in many companies and made the promise of customer relationship management a reality. Salesforce automation also written as SFA is the use of these technologies to make the sales function more effective and efficient.

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THE SALES MANAGEMENT PROCESS

- **Salesforce Automation and Customer Relationship Management:**
 - SFA applies to a wide range of activities, including each stage in the personal selling process and management of the salesforce itself.
 - Salesforce automation exists in many forms.
 - Examples of SFA applications include computer hardware and software for account analysis, time management, order processing and follow-up, and product and sales training.
 - Each application is designed to ease administrative tasks and free time for salespeople building customer relationships, designing solutions, and providing service.

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SFA applies to a wide range of activities including each stage in the personal selling process and management of the salesforce itself. Salesforce automation exists in many forms. Examples of salesforce automation applications include computer hardware and software for account analysis, time management, order processing and follow-up, and product and sales training.

Each application is designed to ease administrative tasks and free times for salespeople building customer relationships, designing solutions and providing services. So, what the salesforce automation does is to shift those non-value adding task to information technology, so that the sales people they have much more time with them to interact with the customer and finding solutions to their problems and needs rather than just filling up various types of forms and so on so forth.

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THE SALES MANAGEMENT PROCESS

- **Salesforce Automation and Customer Relationship Management:**
 - **Salesforce Technology:**
 - Technology has become an integral part of field selling.
 - Today, most companies supply their field salespeople with laptop computers.
 - For example, salespeople for Godiva Chocolates use their laptop computers to process orders, plan time allocations, forecast sales, and communicate with Godiva personnel and customers.

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So, now let us look at the salesforce technology. So, technology has become an integral part of field selling. Today, most companies supply their field's sales force with laptop computers. For examples, sales people for Godiva Chocolates use their laptop computers to process orders, plan time allocations, forecast sales, and communicate with Godiva personnel and customers.

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THE SALES MANAGEMENT PROCESS

- **Salesforce Automation and Customer Relationship Management:**
 - **Salesforce Technology:**
 - In a department store buyer's office, a salesperson can calculate the order cost (and discount), transmit the order, and obtain a delivery date within minutes from Godiva's order processing department.
 - Toshiba America Medical Systems salespeople use laptop computers with built-in DVD capabilities to provide interactive presentations for their computerized tomography (CT) and magnetic resonance imaging (MRI) scanners.

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In a department stores buyer's office a salesperson can calculate the order cost and discount transmit the order, obtain a delivery day within minutes from Godiva order

processing department. So, now, you see that whole of this process has become so streamlined and less time consuming easy.

Toshiba American Medical System sales people use laptop computers with built-in DVD capabilities to provide interactive presentations for their computerized tomography that is CT and magnetic resonance imaging scanners.

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THE SALES MANAGEMENT PROCESS

- **Salesforce Automation and Customer Relationship Management:**
 - **Salesforce Technology:**
 - The computer technology allows the customer to see elaborate three-dimensional animations, high-resolution scans, and video clips of the company's products in operation as well as narrated testimonials from satisfied customers.
 - Toshiba has found this application to be effective both for sales presentations and for training its salespeople.

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The computer technology allows the customers to see elaborate three-dimensional animations, high resolution scans and video clips of the company's products in operations as well as narrated testimonials from satisfied customers.

So, you see that on these laptops the salespeople can show lot of thing to the customers which is difficult to communicate to them otherwise without the use of technology. Toshiba has found this application to be effective both for sales presentation and for training of its sales people.

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THE SALES MANAGEMENT PROCESS

- **Salesforce Automation and Customer Relationship Management:**
 - **Salesforce Communication:**
 - Technology has changed the way salespeople communicate with customers, other salespeople and sales support personnel, and management.
 - Electronic mail, and voice mail are common communication technologies used by salespeople today.
 - Mobile phone and tablet device technologies now allow salespeople to exchange data, text, and voice transmissions.

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The next in line is the salesforce communication. So, technology has changed the way salespeople communicate with customers, other salespeople and sales supports personnel, and the management of the company.

Electronic mails, and voicemails are common communication technologies used by sales people today. Mobile phones and tablet devices technology now allows salespeople to exchange data, text and voice transmissions.

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THE SALES MANAGEMENT PROCESS

- **Salesforce Automation and Customer Relationship Management:**
 - **Salesforce Communication:**
 - These technologies provide information at the salesperson's convenience for answering customer questions and solving problems.
 - Perhaps the greatest impact on salesforce communication is the application of Internet technology.
 - Today, salespeople are using their company's intranet for a variety of purposes.

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These technologies provide information at the salesperson convenience for answering customer questions and solving the problems. Perhaps the greatest impact of salesforce communication is the application of internet technology. Today, sales people are using their company's intranet for a variety of purposes.

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THE SALES MANAGEMENT PROCESS

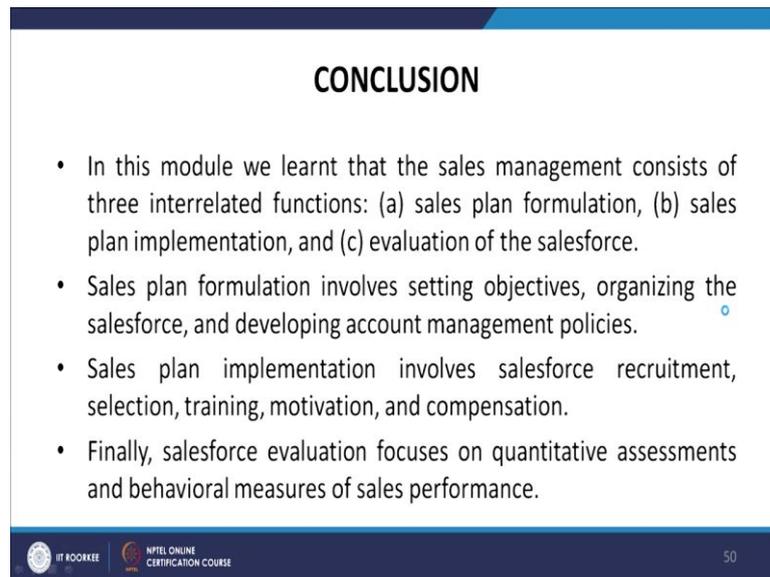
- **Salesforce Automation and Customer Relationship Management:**
 - **Salesforce Communication:**
 - At HP Enterprise Services, a professional services firm, salespeople access its intranet to download client material, marketing content, account information, technical papers, and competitive profiles.
 - In addition, HP Enterprise Services offers training classes that salespeople can take anytime and anywhere.
 - Numerous applications of salesforce automation promise to boost selling productivity, improve customer relationships, and decrease selling cost.

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At HP Enterprise Services, a professional service firms, salespeople access its intranet to download client material, marketing contents, account information, technical papers and competitive profiles. So, you see that now this information technologies used by sales people follow variety of purpose, otherwise earlier they used to have all those files and hard copies and then they spent lots of time on searching for the right kind of paper.

So, in addition, HP Enterprise Service offers training classes that salespeople can take anytime and anywhere. Numerous applications of salesforce automation promise to boost selling productivity, improve customer relationships, and decrease selling cost.

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CONCLUSION

- In this module we learnt that the sales management consists of three interrelated functions: (a) sales plan formulation, (b) sales plan implementation, and (c) evaluation of the salesforce.
- Sales plan formulation involves setting objectives, organizing the salesforce, and developing account management policies.
- Sales plan implementation involves salesforce recruitment, selection, training, motivation, and compensation.
- Finally, salesforce evaluation focuses on quantitative assessments and behavioral measures of sales performance.

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In order to conclude this module, in this module we have learnt that the sales management consists of three interrelated functions: the first is sales plan formulation, second is sales plan implementation and the third is evaluation of the salesforce. Sales plan formulation involves setting objectives, organizing the salesforce, and developing account management policies.

Sales plans implementation involves salesforce recruitment, selection, training, motivation and compensation. Finally, salesforce evaluation focuses on quantitative assessments and behavioural measures of sales performance.

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And, these are the three books used for this module.

Thank you.