## Integrated Marketing Communication Prof. Vinay Sharma Department of Managements Studies Indian Institute of Science and Research, Roorkee

## Module No # 09 Lecture No # 44 Personal Selling - Part 1

Welcome friends!

Let us talk about personal selling. You would wonder why personal selling should be considered a mode of communication. It is a mode of sales, and you are trying sales here. But then, while asking this to yourself, you might get an answer immediately that touching the customer through personal sales is communicating about the product all through.

And that probably is one of the most powerful methods of touching the customers' minds, analyzing consumer behavior, or getting insight from the consumer, then collating that with the customer requirements and pursuing the products with similar orientation which customer wants to have about that product.

Have you ever attended a demonstration session of a food processor? With all due respect, many married people do that. They attend this kind of food processing session where a salesperson comes to your house with a pleasant smile and says that I have a large food processor which can solve so many problems. And the lady of the house has asked for such a demonstration. She makes sure that the man of the house should be there and it is not just she wants his endorsement.

Nowadays, many men they have come forward to take active part in family household jobs. Household works wherein they support their family in cooking, preparing food, and so on. It is a mutual kind of learning which they go for because everyone is working. And everyone has to spare some time to contribute at home as well.

Now the food processor is going to make your life easy and this person knows what you are looking for. So that is where the story starts, and that is where the personal selling becomes a mode of marketing research and understanding customer behavior, reaching close to the customer. And then materializing the sales because you might gone for some other things if it had been just left to your understanding and choice.

And on shop demonstration wherein you would have asked about the power of the motor or

something else. And this is very important fact for us to understand that many times with the organizations which have been aggressively advertising about the product, they slowly move towards other modes like sales promotion and so on. And in due course of time they reduce every effort except for on spot selling.

You might not have seen many advertisements related to irons. Because it has become the part of your life now so everyone looks forward to purchasing one kind of an iron. Similar things have happened in case of products like water purifiers, vacuum cleaners and food processor which have been aggressively sold through personal selling. But here we are talking about personal selling with reference to being a mode of communication. Let us see how it works? (Refer Slide Time: 04:24)

So personal selling is oral communication with potential buyers of a product with the intention of making sales. Professor Philip Kotler has talked about whole of the marketing at large. He says that it can be looked upon as face to face interaction with one or more prospective purchasers for the purpose of making the sales.

And then it traverses towards a version by American marketing association which defines the term salesmanship as the personal or impersonal process of assisting and/or persuading a prospective customer to buy a commodity or service and to act favourably upon an idea that has commercial significance to the seller. It is not complicated as it sounds, but the point is that personal selling is an effort to reach to the customer with something which he may need.

And in due course of time the organization through the seller wants to asses needs and wants to assess the perspective of the consumer. And then wants to materialize that thing as a sales or sales preposition you may see it. And it holds because it holds 2-way communications. It is a very valuable thing and very valuable mode of communication in term of integrated marketing communication. Because on spot you are getting a response and its real time. (Refer Slide Time: 06:19)

You mentally prepare yourself that you would be addressing a particular kind of buyer. It depends upon the kind of training a seller or a salesman gets, it depends upon the mental preparation a seller has, it depends upon the kind of experience a seller has and depending upon all these elements a seller goes to the customer. It is a process of fixing up an appointment and so on which we will be talking about later on.

But then the story begins when he reaches to the customer by virtue of all those elements which I have mentioned right now. He puts up an aspect around the product. Have you seen an insurance agent visiting you? They are well known to you usually. They have a very pleasant wonderful

personality that lightens and brightens your day whenever they meet you. You actually look forward to meeting them and up to that part where you always look forward to meeting them. They are wonderful people and they are selling something which is meaningful to you. And they have this in mind that how to introduce the product to you. And if you are their regular customer then definitely you would have purchased something last year. And you are not looking forward to purchase something this year as such. They are not looking forward to putting your money in another insurance policy probably because you do not feel like getting insured repeatedly.

Now they give you an option. Let us say some money being returned back in due course of time. Some gain associated with that kind of a policy, some additional benefit. But knowing your behaviour, knowing your understanding, your perspective they start from a particular word which will attract you. And that is where personal selling plays a particular kind of role putting up an element of a customer understanding and categorizing the customer for the organization.

These are the people who actually frame or categorize not only consumer needs with whom they are interacting but the types of customers which while being put in the database of the company can be pursued by other people as well. Or some other policies or some other kinds of communication which a company may like to pursue in due course of time.

And you would appreciate that many organizations which have been aggressively pursuing personal selling, later on they come towards advertising. And what instigate them to advertise about their products specifically putting up a storyboard in the right manner that motivation or that insight comes from the database they maintain about the categories of the customers they are serving and how did it generate?

It got generated because of the personal selling team. Why is it more useful is what we are referring to. Many a times companies they have insufficient funds to carry on an advertisement program. But that is one reason many a times you would realize that many large organizations which have funds for advertisements, they can go for that kind of an advertising still they do not wish to. Because they have a very robust methodology of reaching to the customer and promoting the products one by one and creating a very strong value chain and in due course of time organization prefer to sell their product directly to the customers, this is very common they are large they have huge budget but still they prefer to go that way and then they go for complementary kind of advertising.

But for companies which have less advertisement budget definitely these are a very important method to be pursued. Then there are conditions when market is concentrated. Lots of messages are coming from all the sides and you want to make a difference by being there with the customer at the time of what he needs and resolving his problems at the particular kind of moment.

And it is very important to develop a relationship with the customer. You may see many a time you we all know that companies purse CRM programs through their call centre through direct calls and whichever. But when they have a person on the ground through which they are represent through, whom they are represented, and whom they maintain a rapport with the customer.

That is a very important kind of an asset for them although it is very necessary for such organization to retain their human resource that is very important part for us to realize. But if they do that then many a time personal selling is useful when product has higher unit of value. Wherein customer requires lots of insight before he decides or she decides on purchasing that particular kind of a product and it is relative.

But definitely some customers do require lots of analysis before purchasing an automotive of a particular value and some food processor may also have particular kind of a value. We have to look at it relatively then definitely in case of products requires demonstrations and many a times almost all the products they require demonstration.

Who does not know how to drive a car before purchasing a car many a times. But still you require a test drives and you require an assurance that how car works. Through reference that this kind of an engine works this way. There is no larger difference between two similar automotive but still we wish to try. And that is very important in terms of several products about which we do not know specifically how it works and in B2B sales it is exceptionally important.

Because many a times you go to the ground to actually demonstrate how this particular machine is going to work. (Refer Slide Time: 13:12)

How is it going to benefit the buyer if the sales force is a major part of integrated marketing communication? Let us look at the scenario in specific terms when some organization decide on focusing upon sales forces as to be utilized at the major part of their communication.

Now looking at sales force as one of the major parts of IMC as we discussed in the initial part of this discussion wherein many organizations you would find that they focus upon their sales force as the mode of their communication. There are apparent reasons getting directly in touch with the customer but as I said briefly that it is a 2-way communication. And it brings in insights from the ground but the points it that it touches upon almost everything. It touches upon the convenience

related to resolving the complexity associated with the particular kind of a product.

It touches upon the facilitation of major purchase decision, it touches upon demonstration element and we have mentioned that we have discussed that earlier as well briefly. Then it affects the pricing as well or price related negotiations and many a times the element related to discounts as well. Because personal selling enables negotiations on the spot.

And many a times the sales force capable of offering on spot discounts as well as or they feel that customer if offered such kind of an incentive might end up purchasing the product. That is a very important thing because if customer just looks for things by himself through advertising she might end up purchasing similar product which is offering a discount at the time when she goes there to find the product of the choice.

If you will look at the product which are highly in-differentiable and we have been talking about those time and again - salt, sugar, rice, and Atta etc and several other products wherein it is hard to find difference on the spot. That kind of a discount offered by the competitor would work for them. In case of personal sales although at Atta, salt, and sugar are not sold personally many a times..

But the point is, at the time of personal sales there is an advantage of products being sold at a negotiable price and this can happen in terms of vacuum cleaners also, water purifiers also, this happen in terms of food processors also, and it can happen in terms of several other products which definitely are sold personally. Even computers were sold personally in earlier days and then I do not know if many companies are doing that right away.

But laptops and desktops those were being sold personally at one part of time by many organizations, it was tried. Price negotiation element is there and then you channel element is also there wherein personal selling if it is complimented through channel sales then definitely is an advantage for channel because the demonstration team is on the ground. They are demonstrating that in front of the customers. If customer does not decide to actually purchase that thing on that very particular spot, they may take decision in favour of the particular product and instead of calling the representative back they may go to a shop to purchase that kind of a product. So complementary role of the channel and the personal sales team definitely strengthens the whole sequence. You may find examples wherein personal selling based organization have opened up their showrooms and setups in due course of time.

And that is a very advantageous situation for them and then as we have discussed and it is very important that if there is a full factor associated with personal sales then that facilitate personal sales. And if somehow personal sales have done well and you generate some complementary

advertising then it would definitely support personal sales in due course of time.

That is how sales force as a part of integrated communication works and here you should look at the communication part with its centrality. Feedback part is again secondary to communication part if we discuss it with this perspective. (Refer Slide Time: 18:49)

There are several steps. You can bifurcate these steps and add on few or delete few. But largely as the text advices there are several steps in personal selling process. Generating ideas, qualifying prospects, knowledge acquisition, sales presentation, handing objections, sales closing and follow-up. It is a general normal process for anything basically rather than just personal selling.

You look for prospect, you generate leads but personal selling precisely goes through this actually. You have something in terms of data, in terms of listing of customers with you, and then you move looking for who is the right prospect for your kind of effort which you wish to make for personal selling. We will go into these details specifically one by one. Let us look into these steps effectively with little bit demonstration with each one of these. (Refer Slide Time: 20:11)

Generating leads is related to finding a source. Source can be associates with an influence. You know a person who is present user and again coming back to the similar kind of an example of insurance agent. They are having a casual visit to your house or office and they are asking about how happy you are since you have get yourself insured because you have already purchased the product so you are not in that particular kind of a communication, it is a casual 2 way communication.

It is such a courtesy visit and then he happens to ask on – whether they can provide a reference to one of your friends who would be interested purchasing something of similar sort, because you would have told someone that you have got yourself insured against something. And that is where you get a lead actually so it is a general process reference-based kind of a thing. Or you may get a lead from let us say a newspaper wherein you read about something and you get an insight on then.

These kinds of customers would be prospectively looking forward to such products and then you find their address or wherever you may able to find those people. For example, you feel that demographically this kind of people related to this kind of an age or this kind of profession would like this kind of proposition and you randomly keep searching for such people.

For example, they are doctors, so you go to their clinics and places. Generating leads is an art. It is related to actually imagining that who would be interested and then going for that particular source from where you can find precisely the whereabouts of that prospective customer. And once you reach to that prospect then comes sales presentation. But before that you want to acquire as much information about that customer as you can

And especially about the products, in relation to the products, customer would end up spending a great deal of money. And it is not just insurance policy it can be in automotive and it can be a series of products which you are offering for that matter.

So there you have to acquire information what time would be comfortable for customer, what is his family background, what is his perspective, what kind or community or circle he has all around him?

What is his attitude towards things? Because every single bit of information would be giving you an insight on how you would be initiating your communication with that customer. When you would be approaching the customer, what you would be saying as an initial statement when you are taking to that kind of a customer. Many representatives of several publications approach us with a similar kind of a perspective.

They look for the right time, they write us mails, they fix appointments, they choose to very friendly when they initiate their discussion and they know that probably just after the lunch time would be fine. Because a professor is sort of comfortable during that time - he has finished his classes and he yet has to start his research and those kind of things and this early afternoons or early evening kind of time is comfortable and so on.

Every single thing matters and if you want more time then definitely you have to look for that. And that information helps you in generating the sales presentation, how long it should be? What you would be talking about? Would it be demonstrative in nature or no and so on? And then it is also related to handing objections, addressing concerns, request for further information if customer has that kind of thing in his mind.

Or if it is kind of extremely new product then there would be so many questions. Then you close the sales. Remember if everything goes right then sales would definitely materialize. And it would generate a subsequent communication for further reference for future feedback of the product. You will have an insight about the behaviour of such kind of customer.

Altogether, you will carry this towards the organization. In today's AI world that data is fed to

the computer softwares where they work upon such kind of information. You have a profile in front of you so you multiply that profile into number of customers and so on. You are in real time touch with such kind of customers. Because you have generated that communication and connection with them and that real time is enabling for let us say promotions and further advertising to bring in similar customers to your organization.

While going for customer relationship management, future communication, feedback, customer satisfaction, enhancement, and customer loyalty enhancement in whichever way you want to look at it, it instigates and initiates a process which may be termed as follow up. But it is very simple word when you say follow up it is actually a whole lot of things, and it includes so many things.

And when I say it includes so many things, it includes the element of association of that product and this particular sales exercise which we are referring to here with the complete value chain of the organization. Starting from raw material procurement to processing, production to distribution, and so on, everything depends upon the intensity of integration which you can foresee between the modes of communication and IMC with other functionalities in a business.

So I will stop here, and then I will come back to you in the next session with another aspect of personal selling goals. So I will come back to you in the next session with some more insights and aspects of personal selling. While making it sure, I will keep emphasizing how modes like personal selling are an integral part of the integrated marketing communication process.

By the time I reach the fag end of different modes of communication, I want you to feel that you can hold every mode of communication as the central point and then look at other forms surrounding it. At this moment, I want you to feel that personal selling can be the central element and can be found surrounded by advertisement, sales promotion, and other forms of communication.

So I will leave you with this thought. Bye! See you next time.