

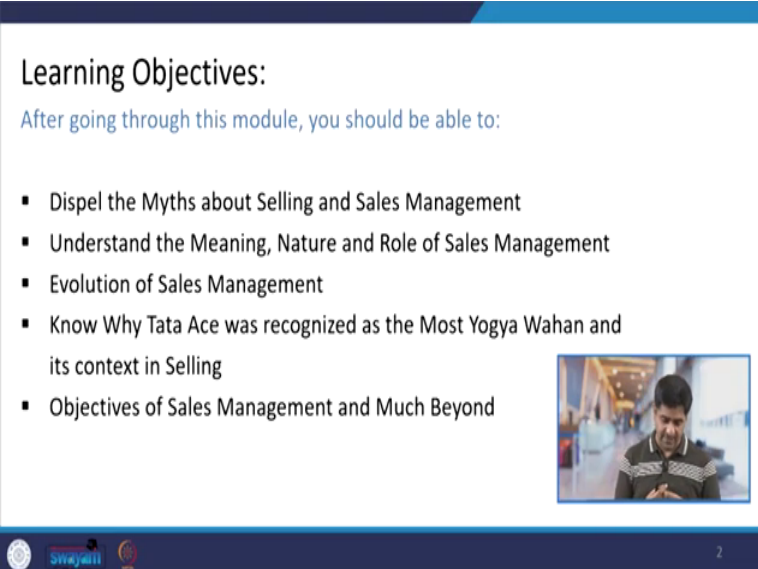
Strategic Sales Management
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Breaking the Myths and Learning the Basics
Understanding Selling from a Strategic Perspective
Lecture - 01
Breaking the Myths and Learning the Basics

Hello everyone and very good evening. So, this is going to be the first session for our course Strategic Sales Management which is being jointly offered by me and Professor Kalpak Kulkarni. So, as I always do in my all PG classes, the first session is definitely going to be about Breaking the Myths and Learning the Basics. So, you might be wondering how I am suitable for this course.


Definitely my specialization is in marketing, but apart from that I think I have been a failed salesman which actually gives me a little more knowledge with respect to delivering this course because I think if someone is able to tell you what is wrong or what should not be done I think half of the job is definitely done.

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Learning Objectives:
After going through this module, you should be able to:

- Dispel the Myths about Selling and Sales Management
- Understand the Meaning, Nature and Role of Sales Management
- Evolution of Sales Management
- Know Why Tata Ace was recognized as the Most Yogya Wahan and its context in Selling
- Objectives of Sales Management and Much Beyond



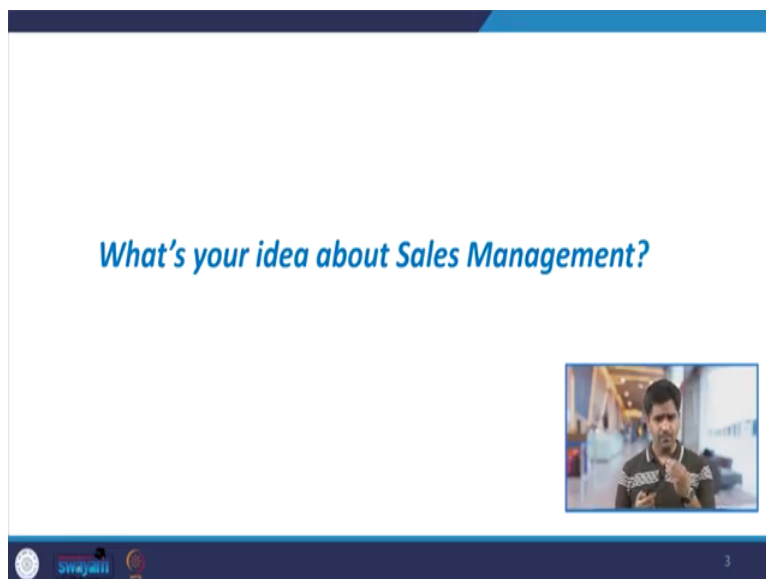
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So, after going through this module you should be able to dispel the myths about selling and sales management understand the meaning nature and role of sales management. How sales management has evolved all these years and as a part of extra fodder for thought, which even

in the introductory video, we had spoke about being one of the most crucial element of our course we will be understanding why TATA ace was recognized as the most “YOGYA VAHAN” and its context in selling or to be more precise maybe we will be understanding why TATA Ace is still topping the charts with respect to commercial vehicular market.

And in the end, we will be learning about the objectives of sales management and much beyond. See when we talk about much beyond the whole essence is about understanding how the objectives have also changed over these years. Maybe when we will be talking more about it you will be able to understand the context in which I am trying to place the objectives. Now before we begin it is very very important for us also to understand what is your idea about sales management.

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Now, some of you might say ok sales is just about marketing or some of you might feel you know marketing is a part of sales or sales is a part of marketing that confusion might also be there right or some of you might feel you know sales is just about selling somehow. If you are able to successfully kind of just sell your product the job of sales management is done.

And some of you might also feel ok if someone says I want to be in sales you are definitely going to wonder if that person speaks a lot or is a little aggressive or you know maybe you can say is more of an extra word you might feel this person is someone who is going to be very good for sales, but trust me we will be breaking all these myths one by one and we will be understanding the actual meaning of sales management.

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Before we proceed Let's break some *myths* about Sales Management?

- Sales and Marketing stand synonymous to each other
- Sales management's first and prime responsibility is to make numbers
- Extroverts make the best salespeople because they are comfortable talking
 - Don't ignore the power of listening
- Sales-person stereotype: Sneaky, Untrustworthy person

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So, as I said before we proceed let us break some myths about sales management. The first one of course, as I told you which I think many of people feel sales and marketing stand synonymous to each other because many people or you know many individuals feel that marketing is just about selling. As I was just telling you if you can somehow sell your product that is marketing, but I think this is one of the biggest myths.

Marketing even starts when the product is not into existence even when a corporate or an organization gets into the market and is trying to understand what is it that the consumers might like or what is it that the consumers do not like or may be understanding what is it that is working for the competitors or what is it that is wrong with the competitors product is all going to be a part of marketing.

In a way we usually say marketing is all about creating communicating and delivering value, but as we move further the exciting part is definitely going to be about understanding how sales plays a key role in all these aspects when we are creating value, when we are communicating value and even when we are delivering value where sales kinds of takes the centre stage to an extent.

So, as we move further or when we will be moving to the next module we will be definitely talking in detail about what are the differences between sales and marketing but for now to put things in perspective the best thing that would like that I would like to tell you is that

sales are just at the tip of marketing. Other thing which many people feel is sales management first and primary responsibility is to make numbers.

This is again another myth which many people have. See, I think this can be looked from two perspective first is sales management is not at all just about numbers which means, just about selling or just you know kind of inflating your numbers or pushing your numbers in a way that you get more of sales but nothing is like that.

Because you definitely have a category of salesmen which are called as missionary salesmen and their entire job is all about just creating a positive aura about the brand they never focus on selling. Even when they are meeting the clients or the prospects or maybe you know someone they are meeting for the first time they just work towards building a positive image about the brand or the product. Other thing I think which can be said with respect to this thing is see let sales management be more about doing right things or managing the activities well numbers will definitely follow.

Now, another myth that we usually have about sales management is that extroverts meet the best sales people because they are comfortable talking again another myth. How can we ignore the power of listening? Just imagine you are talking to a prospect or someone who has been buying your products from long and you are not even hearing what he is saying.

The other situation that you need to understand is just give him the chance to talk more maybe you could understand where the gap lies or maybe you will be able to understand where the problem lies and how this is going to work for you? You will definitely get an idea about how the products can be improved.

So, we have to break this myths that extroverts make the best sales people there is nothing like this because in general also in life also you will see many people you know if there is one particular person an individual be it a man or a woman who is very extrovert, very smart in talking they would say you will make a very good salesman, but it is not like this. Again, I would repeat please do not I know the power of listening this is a very very very important facet when it comes to selling.

The more you listen to your prospects the more you will be able to understand what is it that you need to do for them. And see in a way this also gives you an opportunity to understand where does the problem lie this can definitely open flood gates for coming up with products,

which could be sold like hot cakes. So, another myth which we usually have is salesperson stereotypes.

Someone sneaky untrustworthy I think maybe we can understand this from this perspective many times when you see a sales person coming you might wish to get to the other side or you might wish to even change your route because you do not want to come across them and I think from particular industries who have been very harsh or have been involved in very much forceful selling you will find many people who would like to run in different directions when they see such people, but it is nothing like this.

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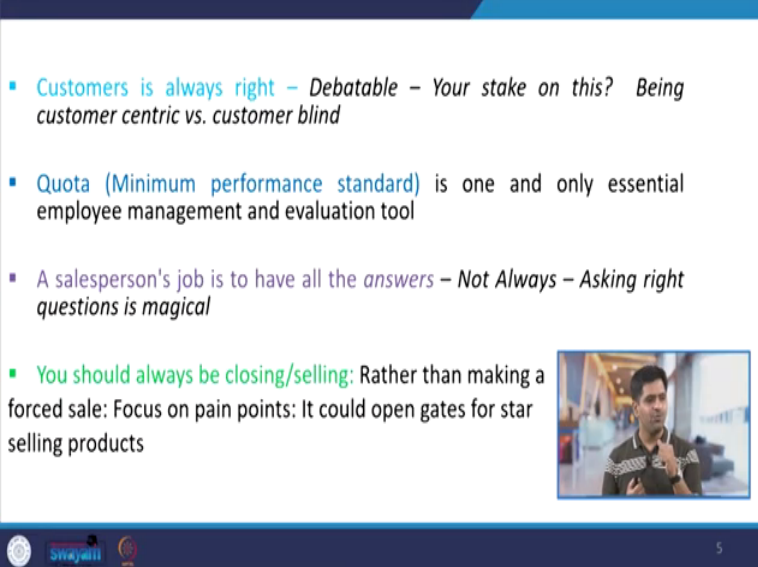


Sales management is definitely involved in likewise the role of the salesperson he can be your friend, he can be a mentor, he can also be someone who can help you understand the kind of product that you actually need. So, let us squash the stereotype as well. Sales persons are no more going to be untrustworthy sneaky I do agree that there are instances when you see sales people who get into forceful selling they might even lie to their prospects.

Because they might be in some pressure to sell, which I definitely agree is not right because that kind of squashes the chances for selling more products to the same customer. So, this myth is something again that we need to break. Trust definitely plays an important role and I said you might have a sales person just think of the situations in B 2 B selling where the sales are very huge the amount involved are very much high, the sales person can actually be a

mentor or a friend who can help the organization understand, which is going to be the best product for them.

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- Customers is always right – *Debatable – Your stake on this? Being customer centric vs. customer blind*
- Quota (Minimum performance standard) is one and only essential employee management and evaluation tool
- A salesperson's job is to have all the *answers – Not Always – Asking right questions is magical*
- You should always be closing/selling: Rather than making a forced sale: Focus on pain points: It could open gates for star selling products

Now, another myth which again is very intriguing is customer is always right. You know you must have heard many times in your life, customer is the king. Customer is always right? Not always.

Just tell me one thing, what is the point of selling it to a customer who is not going to be profitable for you. See when you talk about a sales person's role in one way he represents the organization in another way he is someone who is dealing with the customer or prospect also. So, he has dual responsibilities.

It is not like you know you somehow sell the product to the customer by giving it at a very low price this is definitely in long term not at all going to be beneficial for an organization. So, one thing which we really need to understand is the difference between being customer centric and customer blind. So, when we talk about customer centric we are actually trying to understand that you are placing the interest of the customers on priority.

You are not getting customer blind customer centric means you are focusing on understanding what is it that the customer wants and how you can arrive at a middle ground, which is definitely going to be beneficial for an organization also and it is definitely going to be beneficial for the customer also. Now, when you look at the aspect of customer blind it

simply indicates you know you have just closed your eyes and whatever the customer says is going to be right.

See that is not the case in present scenario. You must have heard somewhere you know many corporates started creating these typologies with respect to gold customers, silver customers, bronze customers or lead customers this in a way was a path towards understanding that all customers might not be your cup of tea you really need to understand who is going to be profitable for you in long term.

And you must be selling it to that customer what is the point of selling products to customers who are not going to be profitable for you in long run. And see every time you might also not be you means the salesperson might also not be in a position to offer the discounts. So, once you say no to the customer for the discount I do not think he is going to take that in right taste. So, the best part is be customer centric not customer blind because you have a responsibility towards your organization also.

The other thing you know another myth which again is very very popular is minimum performance tended or in a way we can say the targets which the sales people are usually expected to achieve technically that is called as quota. Like if I say if I hire a sales staff or let us say I am running an air conditioner business and I tell him no you have to sell at least 12 units in 2 months, which comes to 6 units in a month.

So, this can be considered as a quota. Now I think from the basic level even the term minimum performance standards are not right why you want to have minimum performance standards for your salespeople and why they have to be in the pressure of kind of churning out the numbers that might not always be the case, I will explain you how. Now just think of a situation where your competitor or let us say any competitor comes up with the product which is very very good, right?

So, in that case your focus should be on retaining that customer or maybe you know trying to buy some tying out before that customer shifts to the competitor. So, the focus should be on retaining the customer and not letting him go rather than getting into forceful selling or kind of you know just trying to match up your quota. This again is a thing now the corporates or many organizations are trying to look at both the hard and soft aspects of a quota or maybe say what are the targets that, you can actually give to sales people.

Like hard target could be you have to make this much number of sales the other could be you also have to work towards retaining the customers or maybe work towards creating a delight factors for the customers and we will be definitely talking about this in depth as we will move forward.

Now, another myth which we really need to quash is a sales person job is to have all the answers. I think this again should be broken and I really do not want you to believe in this myth. See when you are do not have answers for something or the sales person is not having an answer for something it definitely gives them an opportunity to think or maybe in other words you can say an opportunity to grow.

So, if a sales person is not having an answer to what the prospect is asking, it is very very important to dig further and trying to understand the customers or prospect size because when you ask the right questions this can indeed be magical because again I would say this can be also be connected to the next part that you should always be closing see when you ask the right questions to the customers you might get information, which could again open a lot of gates for coming up with the products, which will definitely be you know demanded rather than getting into selling which is more harsh or more driven in a forceful way.

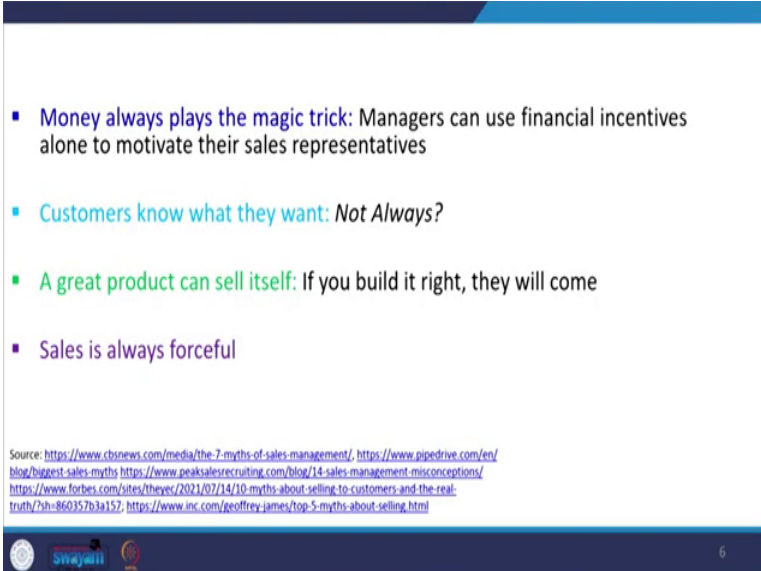
Now another myth that people usually have is, you should always be closing or selling which means when you step into the room or when you are talking to the prospect do not come out without taking an order. Again, I think this really needs to be broken. See let us say if I somehow get into you know I am for a sales call and I somehow by using various means you know just sell the product to the prospect.

Even when I have understood that the product is not something which is going to work for him in long run or it is not something which is going to be beneficial for him customer will anyway realize that with course of time. In a way you are losing out your opportunity or selling you more of your products with the course of time. and even losing out the opportunity of getting referrals that could again be very easy sales.

So, the whole point which we really want you to understand is rather than getting into force sale or always thinking that you have to somehow sell your product you should always have conversations that make you understand, what is it that the customer wants and where is it that the organization is kind of you know there is a gap which the organization can fill and

come up with the product which would be a star selling product. So, this is another myth that we really need to squash.

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- Money always plays the magic trick: Managers can use financial incentives alone to motivate their sales representatives
- Customers know what they want: *Not Always?*
- A great product can sell itself: If you build it right, they will come
- Sales is always forceful

Source: <https://www.cbsnews.com/media/the-7-myths-of-sales-management/>, <https://www.pipedrive.com/en/blog/biggest-sales-myths> <https://www.peaksalesrecruiting.com/blog/14-sales-management-misconceptions/> <https://www.forbes.com/sites/thepec/2021/07/14/10-myths-about-selling-to-customers-and-the-real-truth/?sh=860357b3a157>, <https://www.inc.com/geoffrey-james/top-5-myths-about-selling.html>

Another thing is money always plays the magic trick. Now this is more related to the later part of selling or maybe related to the sales person when the organization definitely gets into the aspect of you know motivating them. It is always believed that sales are all about money and the money can be used for a longer term to kind of keep the sales person motivated.

Again that is not the case you might have people see who could be more motivated by job enrichment, who could be more motivated by you know what you call that a pat on the back because after a certain point money may not work as a motivator and definitely if you have read about the Maslow's need hierarchy you will definitely know where we need to place the money and how we move the charts when we move towards the self-esteem and self-actualization needs.

So, trust me money is not always going to be the magic trick you need to figure out a lot of ways how you can keep the sales representatives highly motivated so, that they not only meet their targets or sell to the customers, but also create a class of customers who are delighted and they will be coming back to you to buy your products more often.

Now, another myth which we really need to kind of break is customers know what they want not always. See many times definitely in this internet era you might feel when the customer

has that power to collect each and every information about the organization about various products or let us say in online channels about the products of the competitors it might even sometimes end up making them confused.

So, as I was telling you be a friend to your prospect do not just get into the path of somehow selling work with them have discussions with them, try to make them realize ok this is something, which is going to work for you. Now, another thing which we really need to understand in this aspect is many times sales person tries to focus on selling those products in which they might have more of incentive or more of margins even if it is not suitable for the customer.

See this is where even the organization needs to understand and they need to have such policies where they can strike a balance between selling those products which create high margin when it comes to profitability or even the lower ones. Because the focus should be on making sure that right products are being sold to consumers then somehow getting into the path of selling the product.

Another myth, which we really need to again break is if a great product can sell itself; if you build it right they will come. Now if you ask me on a personal level I think maybe this could not be completely wrong partially this can work, but partially this could be wrong in the sense like for some products this could work and for some products they may not work let us say if the market is very very intensive and you have cutthroat competition.

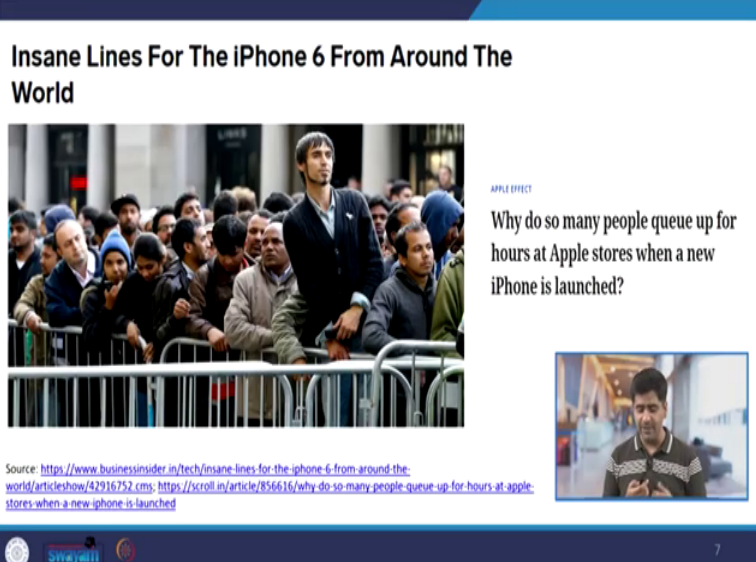
And you come up with the product and the sales team is just hitting the suites trying to sell it off it is very very important for them to make the prospects realize what is so, special about the product and how it is better than the competitors and how in a way I would say in contemporary marketing, how the product is going to add value for them.

So, we might need that work you know that or in a way I would say we might need to do that because when the competition is very very intensive or there are lot many players, you really need to get into the market and tell the prospects why the product is so, good for them. Otherwise, if a great product is marketed well then you might have customers even standing outside your shop and even queuing for the products.

The last myth sales are always forceful is again is going to be something which will be proving wrong, but this is also very dicey. So, when we will talk about extra fodder for

thought we will be definitely talking at lengths about it. But for now, as I was telling you a great product can sell itself have a look at this. Insane lines for the iPhone-6 from around the world.

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Insane Lines For The iPhone 6 From Around The World

APPLE EFFECT
Why do so many people queue up for hours at Apple stores when a new iPhone is launched?

Source: <https://www.businessinsider.in/tech/insane-lines-for-the-iphone-6-from-around-the-world/articleshow/42916752.cms>; <https://scroll.in/article/856616/why-do-so-many-people-queue-up-for-hours-at-apple-stores-when-a-new-iphone-is-launched>

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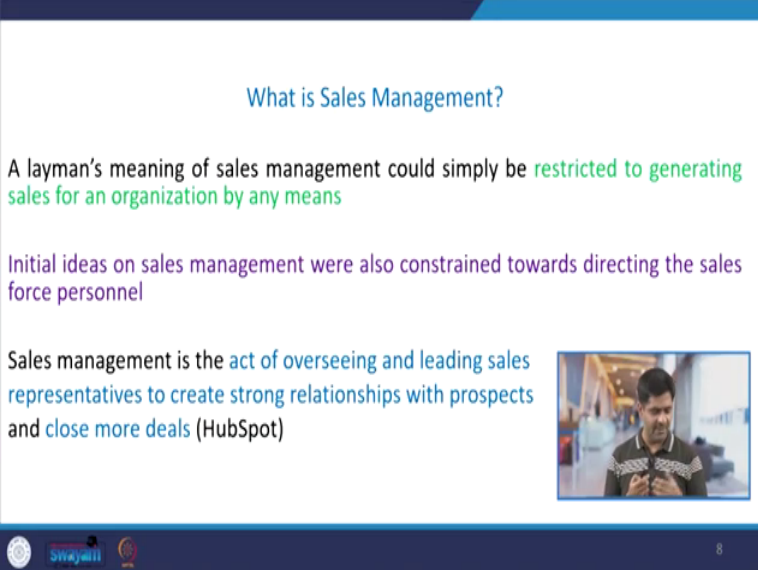
Why do so many people queue for hours at Apple stores when a new iPhone is launched? See this is something the snapshot is definitely going to indicate if you build it right you will have people standing outside. That is why I was telling you this might work for some products and this might not work when the competition is very intense.

So, the whole idea is about coming up with something which you know is done right and how that right is done marketing will come in the central stage and it is something which is going to be very important before you get into sales. So, we will be definitely talking about it at great lengths for now, I leave you with this picture and I want you to think of certain other products for which you might think you will have a lot of people making queues or standing outside shops to get those products.

So, just think about it and then we will move further. I think once we have squashed all these myths and you must have a kind of caught an idea of something which you might have thought in a different way or could be in a different way now I think this is the time for us to understand what exactly is sales management.

If you look at it from a Layman's perspective, a Layman's meaning of sales management could simply be restricted to generating sales for an organization by any means which means you know somehow sell the product, but if you ask me this is more going to be an era where you know sales was not even a department, it was more like you know one room could be given to people and they could be you know asked ok we have come up with this product now it is your responsibility to go ahead and somehow sell it.

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What is Sales Management?

A layman's meaning of sales management could simply be **restricted to generating sales for an organization by any means**

Initial ideas on sales management were also constrained towards directing the sales force personnel

Sales management is the **act of overseeing and leading sales representatives to create strong relationships with prospects and close more deals** (HubSpot)



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Even if you look at the initial ideas on sales management they were also constrained towards directing the sales for personnel which means you are just providing them direction, it is not still organized it is not at all still systematic.

Now, if you look at this definition by HubSpot which I really liked because at least they are talking about the aspect of creating strong relationships. Now again that can be aligned to the fact when you work towards creating strong relationship with the customers you definitely have the opportunity of cross selling you definitely have the opportunity of up selling.

Now the whole idea is see every salesperson would like to have a class or maybe you can see a line of customers, they can get back to every time whenever a new product is launched because it becomes more easy one is you get the advantage of that strong relationship that you have nurtured all these years and the other thing is the prospect or your existing customer also knows you from a long time. So, definitely there is going to be an aspect of trust and that

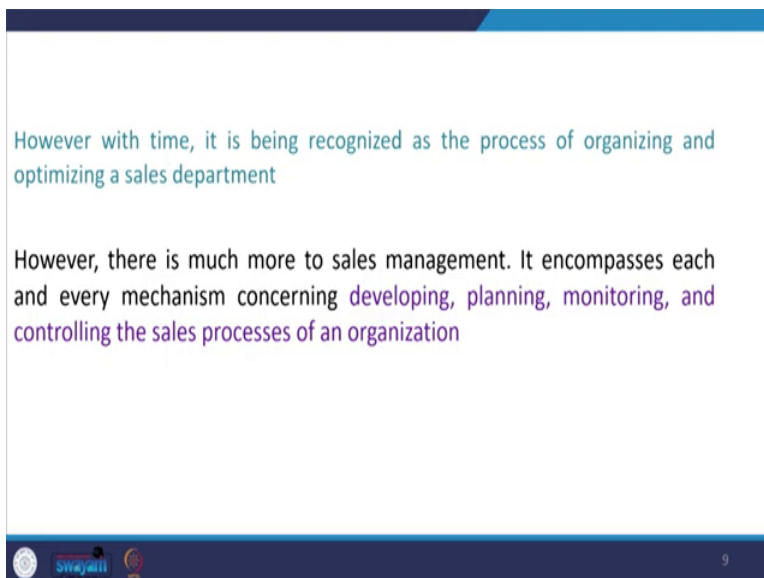
is something, which you can again nurture for long time and you know it will be an easy sale for you.

But trust me again I would say this definitely works when you start thinking on the lines of co creating value for your prospects or existing customers or clients I would say. So, now, I will read the definition by HubSpot and I really want you to focus on that it is the act of overseeing and leading sales representatives to create strong relationships, which I just explain you how that works with prospects and close more deals.

I think this again becomes self-explanatory with the idea or the way I have explained you. When you have a class of customers who are delighted or with whom you share a strong bond sale is definitely going to be easy. In case you think otherwise we will be happy to look at your comments in the forum and then we will again have a discussion about it.

Now as the sales management was growing or maybe I would say when that transition happened from a room to a department or maybe the sales organization, which again we will be talking about length as we will move further, it all became the process of organizing and optimizing the sales department.

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But trust me guys there is much more to sales management. It encompasses each and every mechanism concerning, developing, planning, monitoring, controlling the sales processes of an organization.

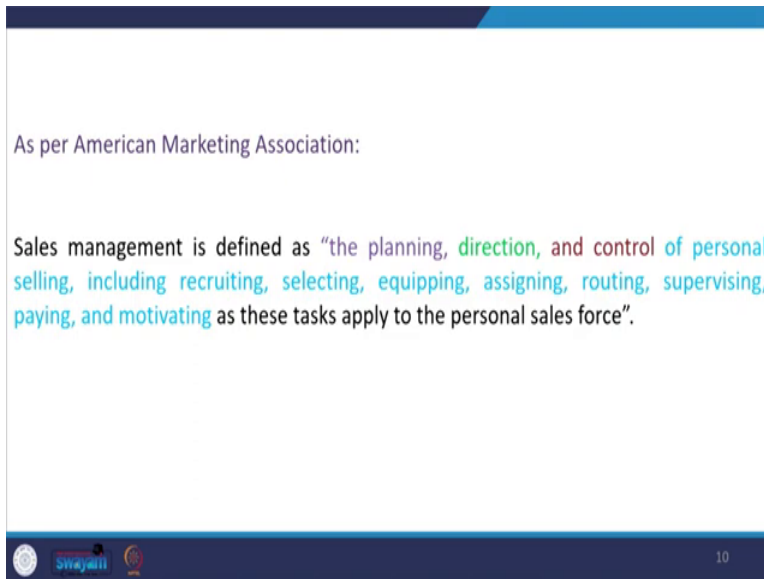
See if we go back and you look at these definitions you will be able to understand that in a way in one of the aspects we are only talking about selling you know somehow sell the product we are not even getting into the aspects of that you need to develop the workforce you need to plan well; you need to monitor, you need to control the sales processes of an organization. In a way you can say you need to have a sales organization where the relationships are created or maybe say you can say it is a group of people who are working together you know to achieve the sales objectives of an organization.

Now when you talk about developing we are again trying to highlight that you need to nurture them they should be trained well, they should have the right skills, they should be motivated in the right way so, that before they get into the field they have that you know all the I would say knowledge when definitely it is B 2 B selling they need to be bang on with respect to the product features, what are the good I would say good as in what is it that makes the product stand out with respect to competitors.

Not just that they should also know where the competitors product are better because see when they are talking to prospects of clients or the customers, they should be able to kind of gauge out how they can put their products better with respect to highlighting what is so good about the product and if something is not good see in order to develop the trust you definitely need to tell that also, but again the skills are going to be about how you do that, which again is going to be an aspect which will be talking later.

As we will also talk about few interesting things about what makes a good salesman what are the key requisites for being a good salesman and how even you can negotiate better as we will move further in this course. Now, I thought as we have now had a look at what sales management is all about, we will also look at one of the definitions by American Marketing Association.

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Sales management is defined as the planning, direction, control of personal selling, including recruiting, selecting, equipping, assigning, routing, supervising, paying and finally, motivating as these tasks apply to the personal sales force. All these terms if we start looking at individually in a way we are trying to say the facets that we will be looking at in this course.

So, as I was telling you this definition definitely presents a more organized and a systematic approach. It is not just talking about selling it is also highlighting that you need to plan well your sales course have to be aligned very much aligned with the goals of an organization you need to provide right direction to the sales force personnel and you also need to have the factor of control, which could also be looked at from you know the facets of budgeting and also from performance in which we usually say you try to identify the deviations and then you look for what are the corrective measures.

See there could be a sales territory where you might come across the fact the sales force is making all their efforts they are all out in the market to sell and they are doing their best to do it, but still the sales may not happen. So, it is only going to be through control that when you dig further deep you will be able to understand, why?

You might realize maybe the competitor is offering more of discounts, you might realize that competitor has come up with the product let us say which is very very unique and your product is kind of falling short with respect to that you might also realize that sales person

needs to come up or should be kind of armoured with better sales promotion techniques to get into the market.

So, this is again something which we need to understand and this is only going to happen when you have the right control mechanisms in place. Again, then we will be talking about recruiting, selecting, equipping, assigning, routing, supervising, paying and definitely motivating.

We will be talking about all these aspects in detail as we will move further with respect to the course. So, I think this brings us to the end of this session and I really hope that all these myths when we squash them you really got an insight about what sales management is all about and what it is not about in both ways.

So, as we move further in the next module we will be definitely talking about the evolution of sales management and the exciting part is we will also be talking about the extra fodder for thought part in which we will be learning why TATA ACE emerged as the most YOGYA VAHAN in its context in selling.

Thank you.