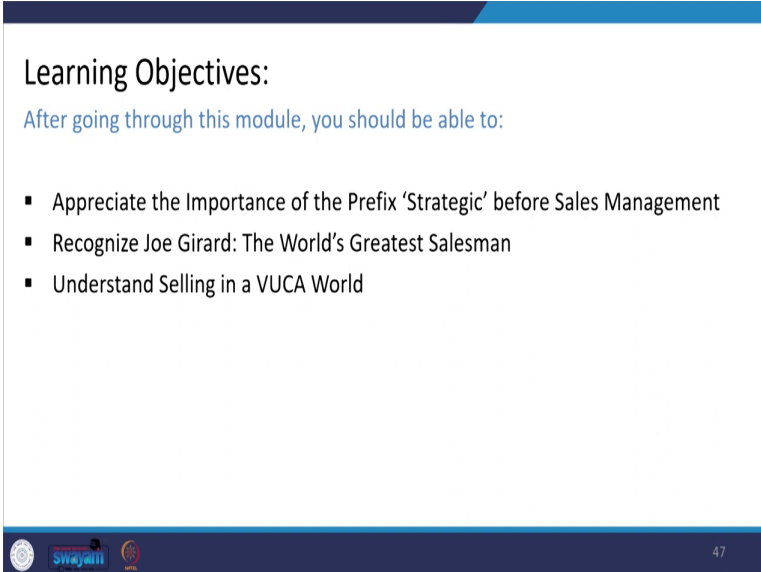


**Strategic Sales Management**  
**Prof. Sourabh Arora**  
**Department of Management Studies**  
**Indian Institute of Technology, Roorkee**

**Breaking the Myths and Learning the Basics (Continued...)**  
**Understanding Selling from a Strategic Perspective**  
**Lecture - 05**  
**Difference between Sales and Marketing**

Welcome back everyone. Now we will be beginning with the session 5. I hope as far as the last session was concerned you really enjoyed learning about the redefined objectives of sales management. But now as we move forward we will be understanding or maybe as far as this session is concerned you will be able to appreciate the importance of the prefix strategic before sales management recognize Joe Girard the world's greatest salesman and understand selling in a VUCA world.

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**Learning Objectives:**

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

- Appreciate the Importance of the Prefix 'Strategic' before Sales Management
- Recognize Joe Girard: The World's Greatest Salesman
- Understand Selling in a VUCA World

IIT Roorkee Swajati 47

Now, the whole idea is see if you want to understand why we need the prefix strategic before sales management I think you already got a lot of reasons right with respect to what we have been discussing till date. But another thing which again I want you to understand is how marketing is different from selling because many times you know you will see a lot of people using these terms interchangeably.

So, even with respect to this I thought let us try something insane we learn this in a different way. So, I picked up three you know marketing or maybe you can say management stalwarts and we will be looking at their quotes which actually pinpoint how selling is different from marketing or how marketing is different from selling. So, this is kind of something different, but as we move forward I am very sure you will appreciate this approach.

Now, let us look at the quote by T Levitt Theodore Levitt who is very very popular for proposing a concept like marketing myopia. Now let us look at what this scholar says.

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The slide is titled "Marketing vs. Selling" in blue text. Below the title is a quote in multi-colored text: "Selling focuses on the needs of the seller; marketing on the needs of the buyer. Selling is preoccupied with the seller's need to convert his product into cash; marketing with the idea of satisfying the needs of the customer by means of the product and the whole cluster of things associated with creating, delivering and finally consuming it". Below the quote is the attribution "- Theodore Levitt". At the bottom left, it says "Source: Marketing Myopia, 1960, p. 10". At the bottom right, there is a small video thumbnail showing a man in a striped shirt. The slide footer contains logos for Swayam and a page number "48".

Selling focuses on the needs of the seller right because see if you simply go with the traditional approach it is all about what the seller wants just how sell these products because what he wants is their conversion into the cash right. But if you talk about marketing it is all about the needs of the buyer. That is why in the further line you see selling is preoccupied with the sellers need to convert his product into cash.

Marketing with the idea of satisfying the needs of the customer by means of the product and the whole cluster of things associated with creating delivering and finally, consuming it. See when you look at marketing you will many times find they will write it is all about creating, communicating and delivering value right.

Now, when you talk about creating maybe we can say the marketing research will have a lot of role right you get into the market you try to understand the gaps what competitors are

doing what is it you know that the customer wants where actually the gap lies, but you cannot even ignore the role of sales people or sales organization in this even with respect to creating you might be able to get a very fantastic feedback from the sales team. Because again I think we have discussed it a lot of times that when they are out in the field in the market or they are take talking to prospects.

So, even the customers of competitors they might have something you know information or a piece of information which could be very very useful with respect to understanding what we need to create or even what we need to modify. So, this was about creating. Now even if you talk about communicating right what is it that you want to communicate with your prospects or existing customers or the customers of the competitor.

Sales person can again provide a lot of feedback like I just gave you the example of you might be wondering what is your USP right you might consider it as the price whereas, the salesperson who is on field might provide you a completely different perspective then you can use the same information for crafting your set of communications.

Now, when you talk about delivering again, the people who work in retail stores who are in direct selling or the people who are taking orders inside the stores or the personal selling people who get into the field or get into face to face meetings with the customers with respect to selling products. In every face the sales person or I think to put it right not the sales person per se the sales organization will definitely have a rule.

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"Authentic marketing is not the art of selling what you make but knowing what to make! It is the art of identifying and understanding customer needs and creating solutions that deliver satisfaction to the customers, profits to the producers, and benefits for the stakeholders".

"Market innovation is gained by creating customer satisfaction through product innovation, product quality, and customer service. It these are absent, no amount of advertising, sales promotion, or salesmanship can compensate".

- Philip Kotler

Source: Jay Conrad Levinson (1999), Mastering Guerrilla Marketing, Marketing Management: Analysis, Planning, Implementation and Control, 1967, pp. 218

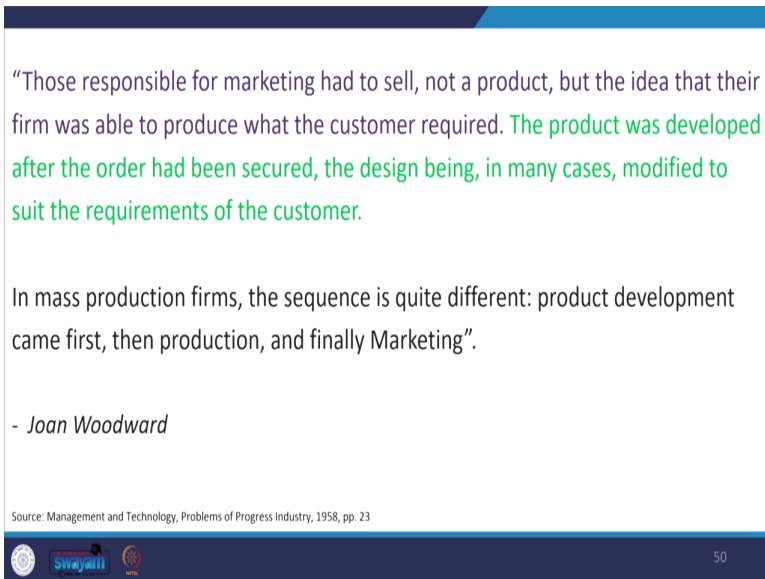
So, I hope you got a perspective with respect to the stalwart T Levitt. Now as we move further let us look at what Professor Kotler says, authentic marketing is not that of selling what you make, but knowing what to make again he is trying to bring in the perspective of being a lot more customer centric. You are trying to understand what is it that the customer make and then you understand what is it that you need to make to keep it maybe to put it another way what is something that you will be what you should make so, that you will be able to sell it like hot cakes. So, he goes further. It is the art of identifying and understanding customer needs and creating solutions that deliver satisfaction to the customer profits to the producers and benefits to the stakeholders. Now again get to this facet of profits to the producers. It in a way indicates that you should not be selling at a loss right because see, whenever a sales person gets into the field if he is a new one or maybe he is facing the heat of achieving its target he might undersell or he might give more of discounts to sell a product.

But again that is not going to work in long term that is why profits to the producers is again going to make a lot of sense and the sales organization will have a lot of play and that and benefits to the stakeholders. He further goes market innovation is gained by creating customer satisfaction through product innovation, product quality and customer service. If these are absent no amount of advertising sales promotion or even salesmanship can compensate.

Now, again he is trying to you know endorse the idea that first understand what is it that the customer wants. If you really want to focus on creating customer satisfaction or you know create an element of delight with respect to the products that you are manufacturing through product innovation, product quality or offering best of customer service. It is very very important that you have the marketing principles set again the whole idea is about being very very customer centric.

Because see it can also be a route for innovation like again we can use the same example of TATA is once they realized the gap and they were customer centric they got into the field with respect to understanding or the needs of let us say the truck drivers or maybe you can say opinion makers or may be mechanics or other people they understood what is it the people want. Definitely a truck which was very compact and will bring in a lot of prestige for them also indefinitely efficiency with respect to operating. So, these are all the thoughts of one of the fantastic marketing professors Professor Kotler.

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"Those responsible for marketing had to sell, not a product, but the idea that their firm was able to produce what the customer required. The product was developed after the order had been secured, the design being, in many cases, modified to suit the requirements of the customer.

In mass production firms, the sequence is quite different: product development came first, then production, and finally Marketing".

- Joan Woodward

Source: Management and Technology, Problems of Progress Industry, 1958, pp. 23

Swajati 50

Now let us say what Joan Woodward had to say. See those responsible for marketing had to sell not a product, but the idea that their firm was able to produce what the customer required now what the customer requires or what is it that is required by the customers the sales person can definitely provide a very good insight. The product was developed after the order had been secured.

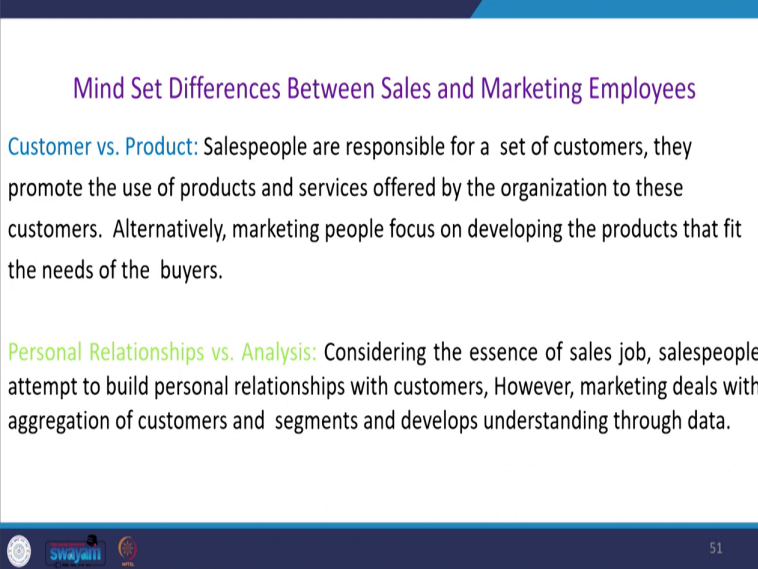
The design being in many cases modified to suit the requirements of the customer. I think the scholar has put it very very beautifully that see the product was developed even after the order was taken and they went ahead and modified. Again it brings in a lot of perspective of you know that relationship orientation and even when you are doing these modifications where is that feedback coming from ok.

It might come through marketing research, but when you talk about B to B selling or industrial selling it is definitely going to come from the sales people right. See if the product is very very huge in terms of money very expensive that one to one dealings and the modifications which might be required to be made in let us say an industrial product will definitely come from the people who are talking to the prospects right.

In mass production firms the sequence is quite different. Product development came first then production and finally, marketing. I think rather than marketing maybe we can say selling. This is what I think, but definitely what Professor Woodward has tried to put it like when you are talking about just an idea of marketing which is more dominated by a selling approach.

Now another thing which I really want you to understand with respect to this particular gamut is the mindset differences that sales people might have as far as the marketing employees are concerned or maybe you can say sales versus marketing employees mindset differences.

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**Mind Set Differences Between Sales and Marketing Employees**

**Customer vs. Product:** Salespeople are responsible for a set of customers, they promote the use of products and services offered by the organization to these customers. Alternatively, marketing people focus on developing the products that fit the needs of the buyers.

**Personal Relationships vs. Analysis:** Considering the essence of sales job, salespeople attempt to build personal relationships with customers, However, marketing deals with aggregation of customers and segments and develops understanding through data.

51

So, the first one is customer versus product. If you look at sales people they are responsible for a set of customers and the organization wants them to you know promote the use of products and services which an organization manufactures to these customers. Whereas, if you talk about marketing it focuses more on products that fit the customer needs. But see this customer versus product thing or sales versus marketing employees mindset with respect to customer versus product can be looked at even from a different perspective. You can even align the product orientation with respect to sales and customer orientation with respect to marketing.

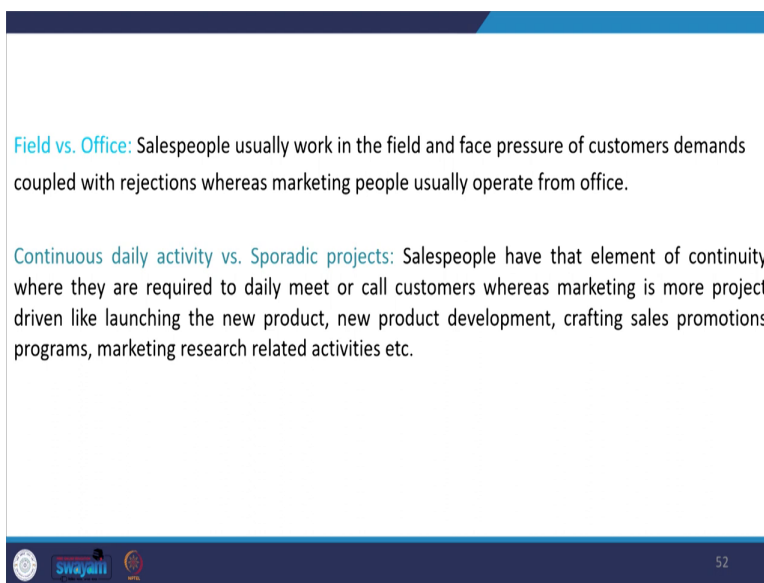
In the sense like we might also say with respect to the traditional orientation sales people are responsible for selling the product which an organization manufactures. Whereas, marketing is more customer centric. So, with respect to explaining this mindset it is all about the orientation or the thought process that you are having. But I have precisely derived it from one of the research papers which I will be telling you in the end as a part of references.

Now another mindset difference is personal relationship versus analysis. See we all know that one of the key facets of sales job is that you are out in the field you are meeting people on daily basis you are working towards those relationship with customers. Whereas if you look

at marketing they basically deal in aggregation of customers or segments of customers and they basically utilize data to draw in sites.

So, this is again one of the differences right. See even if you look at marketing anyway sales organization is definitely broadly going to be a part of marketing only, but this is one thing which can be kind of very concretely associated right. Because you will not find marketing people getting into the field and you know meeting people daily, but that is not the case with sales people.

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**Field vs. Office:** Salespeople usually work in the field and face pressure of customers demands coupled with rejections whereas marketing people usually operate from office.

**Continuous daily activity vs. Sporadic projects:** Salespeople have that element of continuity where they are required to daily meet or call customers whereas marketing is more project driven like launching the new product, new product development, crafting sales promotions programs, marketing research related activities etc.

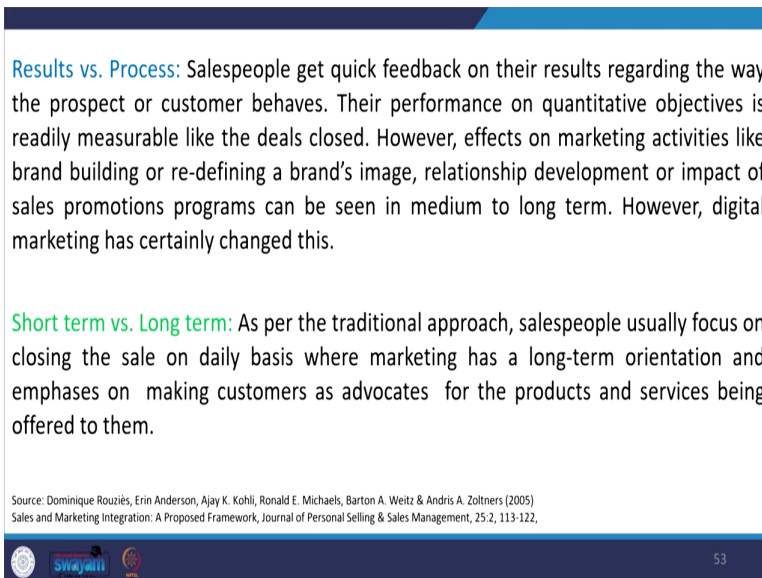
52

So, the another mindset difference that we need to understand with respect to marketing and sales employees is field versus office. Again you know that you know sales people a particular segment of sales people that will be definitely you know understanding what are the different kinds of salesmen work in the field and they you know face the pressure of customer demands, coupled with rejections and all that stuff whereas, marketing people usually operate from office right.

Another thing which can be aligned with respect to marketing versus sales is. Sales is more of a continuous daily activity right. They have this element of daily reaching out to customers visiting customers or may be calling them or doing a lot of cold calls whereas, marketing is more about sporadic projects which means it is more project driven like it could be related to coming up with the new product or may be taking care of a marketing research activity which could be related to identifying any of the problems like why are sales so low in the Southern

region or why are sales so low in the Northern part or may be related to how we can kind of modify our product to better suit the needs of the customers or it could be related to crafting, sales different sales promotion programs for different segments of customers.

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**Results vs. Process:** Salespeople get quick feedback on their results regarding the way the prospect or customer behaves. Their performance on quantitative objectives is readily measurable like the deals closed. However, effects on marketing activities like brand building or re-defining a brand's image, relationship development or impact of sales promotions programs can be seen in medium to long term. However, digital marketing has certainly changed this.

**Short term vs. Long term:** As per the traditional approach, salespeople usually focus on closing the sale on daily basis where marketing has a long-term orientation and emphasizes on making customers as advocates for the products and services being offered to them.

Source: Dominique Rouziès, Erin Anderson, Ajay K. Kohli, Ronald E. Michaels, Barton A. Weitz & Andris A. Zoltners (2005) Sales and Marketing Integration: A Proposed Framework, Journal of Personal Selling & Sales Management, 25-2, 113-122.

Swajail 53

So, this is another difference which you need to understand. Apart from that if you look at sales people it is more result oriented. In the sense like they can get quick feedback on the results regarding. Let us say whether after a demo whether order was placed or not or with respect to how a customer behaves if we are more looking at their quantitative performance standards or may be quantitative objectives. Let us say how many calls have been made how many visits have been made, but that not the case with marketing.

It is more process driven and things may take time. Let us say if you are trying to create an awareness or trying to change the image of the brand or the product you will be able to only you know notice these differences in medium to long term. But again the crux says with all these digital marketing tools you know coming in things have changed.

You can now measure let us say even if you put a post or an organization puts a post on Facebook, Instagram or LinkedIn even with respect to let us say likes dislikes or on if it is on Twitter with respect to retweets you will be able to see you know the bus that the product or maybe you know whatever you are offering creates. So, digital marketing has kind of made it very easy or readily for an organization to measure the results of marketing activities.



Now the last thing which you need to understand with respect to this is; see now, we are talking about it from a traditional approach. Selling is usually short term you will focus on just closing that day steel right in a way. Definitely if you get to the modern aspects of it you will be focusing on relationships. Whereas, marketing definitely has a very long term orientation. It really focuses on making customers their advocates. Advocates means who will be kind of recommending their products or even protecting the products if they will you know if you are an advocate for a product or you feel very very emotionally attached with the product you might not like someone talking bad about it you might even go ahead and try to change their mindset or you will kind of spread a lot of positive word of mouth. So, marketing is more about creating that brand loyalty, but again I would say if you talk about the modern selling or you know the contemporary selling approach it kind of you know captures all of these in the strategy that they adopt with respect to when they reach out to customers.

So, I hope with respect to what we discussed about you know this difference between marketing and selling and might set differences I think now you will definitely be in a position to answer me better why we need the prefix strategic before sales management. This is in line with everything that we have discussed salesperson being a consultant working closely as a collaborator with the prospect or client with respect to understanding who is profitable who is not profitable with respect to having a very very high focus on a relationship orientation assisting in marketing activities, assisting you know innovation, assisting in creating a very good and huge database of customers which can definitely be utilized for I would say drawing very very rich in sites. Then again see even if you look at the traditional functions contributing to profitability because you cannot deny the fact that sales is the only department which brings in profits.

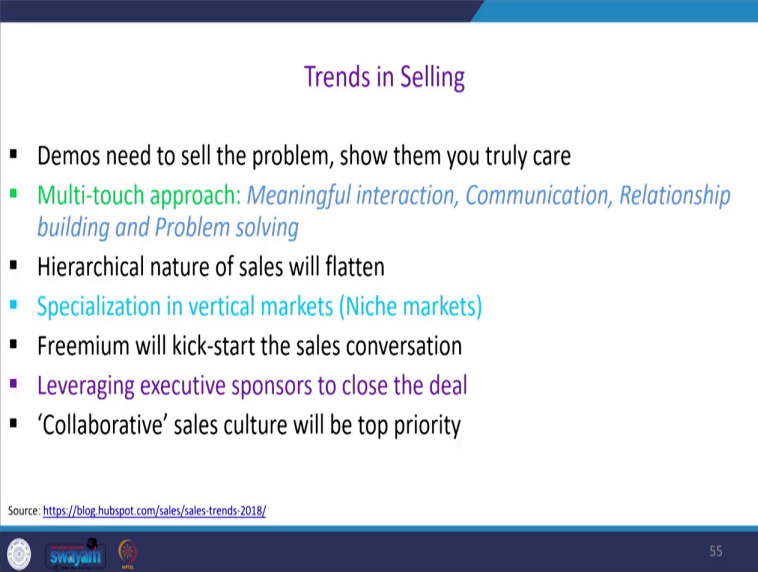
See when you look at other departments they are precisely cost centers even if you look at finance HR even the other marketing functions whether it is advertising sales promotion it is only the sales organization that brings in revenue or brings in the required or maybe we can say converts products into cash.

So, even with that respect that micro perspective we cannot deny the fact that it is one of the most strategic rules right. So, when all these factors and how you know it is the high time when we need to understand that the marketing and sales should work in tandem with each other to bring in the best of benefits for an organization we cannot deny that we definitely

need the prefix strategic. Now even with respect to this topic what I want from you is just get to the forum and make it active buzz it with your thoughts.

And you tell us why do you think we need the prefix strategy. Because I think if we look at the session one to four I have given you a lot of reasons right to kind of think why it has to be strategic and there is no other way out. So, I will wait for the time to read what you think why this is strategic and you know will be more than excited to head to forum to see what you post.

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The slide is titled "Trends in Selling" in purple text. It contains a bulleted list of seven items, each with a colored square bullet. The items are: "Demos need to sell the problem, show them you truly care" (black), "Multi-touch approach: Meaningful interaction, Communication, Relationship building and Problem solving" (green), "Hierarchical nature of sales will flatten" (black), "Specialization in vertical markets (Niche markets)" (blue), "Freemium will kick-start the sales conversation" (black), "Leveraging executive sponsors to close the deal" (purple), and "'Collaborative' sales culture will be top priority" (black). At the bottom left, there is a source link: "Source: <https://blog.hubspot.com/sales/sales-trends-2018/>". At the bottom right, there is a page number "55". The slide also features logos for "Swayam" and "eGangotri" at the bottom left.

- Demos need to sell the problem, show them you truly care
- Multi-touch approach: *Meaningful interaction, Communication, Relationship building and Problem solving*
- Hierarchical nature of sales will flatten
- Specialization in vertical markets (Niche markets)
- Freemium will kick-start the sales conversation
- Leveraging executive sponsors to close the deal
- 'Collaborative' sales culture will be top priority

Source: <https://blog.hubspot.com/sales/sales-trends-2018/>

So, now I think we get to the another I would say very intriguing part which is what are the trends in selling or maybe you can say sales management. So, first is demos need to sell the problem show them you truly care. Earlier the case was see whenever the product demonstrations were given to the prospects or customers it was all about this is what the product does or these are you know the key characteristics or features of the product that is not going to work now your focus has to be on solving their problems that is why I have been repeating it a couple of times.

It is very very important if you want to get hold of a key account understand their processes be their collaborator and try to work towards solving their problems. It is not going to work if you just tell them oh these are the features of the product those days are now completely gone. Focus on telling how this is going to be beneficial for them with respect to solving their

problems. Other thing is multi touch approach it is not like you call the customer or the prospect you gave them the presentation you sold and your job is done.

Even if you look at let us say are providing very good after sale services your conversations or touch points could be related to that. This is not going to work now you really need to have to focus on having meaningful interactions communication relationship building and problem solving. Which means that always reach out to your prospects even when they have not brought from you with respect to understanding.

So, these are the new products or man these are the new products that we have if you bought it from a competitor how do you think that was better. Once the relationship has been strike because the point is see if you come up with an improved version of the product you will be definitely able to pitch it to them. Or maybe I would say if your product can solve their problem better I think you will be able to do it.

Other thing is the hierarchical nature of sales will flatten which means that now this is more in the orbit of a lot of people now working virtually from their homes which definitely indicates that you need to empower them to take the right decisions at right time. You cannot have those you know lengthy hierarchical structures in which everything will be approved. Definitely you can have a strategy and policy with respect to this, but with respect to virtual teams you really need to empower them.

Other thing is specialization in vertical markets. Now why I am telling you this is or why we are giving you the example of niche markets is, see it is not like you only have to sell a product. If you think you will have a large base of prospects you can even come up with the product for a niche market for with for a very specialized market who could be very small in number, but if they are profitable why not right. So, the whole idea has to be focusing on those customers even if the count or quantity is small they can be profitable. Just imagine the idea of various vegan restaurants that are now being open in India right.

They are very niche, but just because they are catering to a niche segment they are able to command those prices and they end up being to an extent being profitable. Another trend in selling which again is going to revolutionize the sales dynamics is freemium will kick start the sales conversation. Now this is all about looking at your customers from two tires; one is who look for a freemium or maybe the premium ones which means see.

Now, this is more working with respect to the services that are being sold. You give them a free account or an access which is free for few days now once you make them realize how the product solves the or the service solves their problems or how it is beneficial for them there are very high chances that they might switch to a paid form of you know servicing or maybe you can say towards a better version which brings in a lot of revenues or profitability for you.

But in this case you have to be smart enough with respect to understanding that when you give that freemium period offer them the best that you have. So, that they realize that this is the product that they definitely need. And in a way see this can also be a conversation starters right. Especially if we look at the market in India, this can work, but again this might not work for every product.

Now the other part or other trend is about leveraging executive sponsors to close the deals. See this simply means we definitely talk about team selling right when you have a huge team. Huge team as in at least five six people rather than one salesman who is dealing with the prospects. In this case you might have some experts who might accompany you.

Like you might have someone from your organization who is on a position that if required he can take the required decisions with respect to discounts or if anything extra that needs to be offered or with respect to pricing and from the other organization also from the prospect or customers organization also you have an executive sponsor. Sponsor as in a representative who will negotiate on their behalf.

At least when you have two parties or two key people who are kind of negotiating or striking a deal. I think things can be done on the same day rather than you have someone who will say ill get back to you. Another thing is again collaborative sales culture will be top priority which means that sales should not be looked at just and you know the last part of the tail who is selling the products. They need to be aligned very much with production department definitely with various facets of marketing.

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- Emergence of Social Selling
- Team Based Selling
- Sales Automation
- Focus will shift to 'Value' selling
- Customer Experience vs. Customer Support
- Video Based Selling
- Online vs. Offline Decisions

What more...?

Source: <https://nethunt.com/blog/sales-trends/>

56

And also with other department I would even say HR department because when they are designing training programs for them they should know what is it that really need to be imparted. Emergence of social selling is again one of the trends that we have discussed team based selling I have already given you a perspective. Sales automation which again can be a 2X for you really need to figure out you know what is it that we can automate. So, that we do not end up losing that physical touch.

But see one of the advantages when you talk about sales automation is let us say earlier if you are trying to identify prospects. It can be a huge and daunting task you need to do a lot of homework do a research collect a lot of information about the prospect, but now even LinkedIn offers you a very very specialized service in which you can have a checklist ok.

My prospect would be someone who will have this much of turnover or this much of income he has to be in this much age group he might have this much habits or things like that and they will provide you a list of the prospects which could be very very convertible for you. Your focus has to be on value selling. Value selling here simply means you need to provide the products in which you are not compromising on quality and you are trying to bring down the prices.

These definitely can be star sellers for an organization. Another important trend do not just rely on customer support do not wait that if something goes wrong we have a team who will be taking care of you. Create an experience in such a way that everything looks very very

delightful for the prospect or may be existing customer and they are willing to you know walk that extra mile with you or have that long term association with you.

So, the whole idea of this particular part is do not just have a customer support system. Create experiences that make a long lasting impact in which again you get that extra edge of cross selling and upselling. Video based selling again has emerged as one of the trends right definitely during Covid times. Now we also need to train our sales people in ways that they can strike better conversations or they are able to present or pitch products well when it comes to video based selling.


You can see when you talk about video based selling you can definitely have different elements like you can create very multifaceted videos which are very high on maybe let us say emotions or you can use visual background sounds in a way that can kind of stimulate the emotions of the customers or the prospects towards the organization or the products. And the last trend is figuring out what is it that will work online and what is it that will work offline I think I gave you this example earlier also why is it that OnePlus is only selling their products on Amazon.

Why they are not selling through physical stores. Likewise you can look at a lot of examples which might work in this way. You might also need a strategy which product even if you are looking with respect to social selling which product will work best when you talk about let us say Instagram or LinkedIn you know Facebook or all these other social media platforms. So, this is something which is definitely going to be very very relevant.

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**Some Extra Fodder for Thought : Know About Joe Girard**

About Joe Girard: Born into poverty, Joe Girard sold 13,001 cars over the course of 15 years—not fleet sales but sales to individual car buyers. He holds the Guinness World Record for being the world's greatest salesman. In 1973, he sold 1,425 cars, and in one month, he sold 174—a record that still stands today.



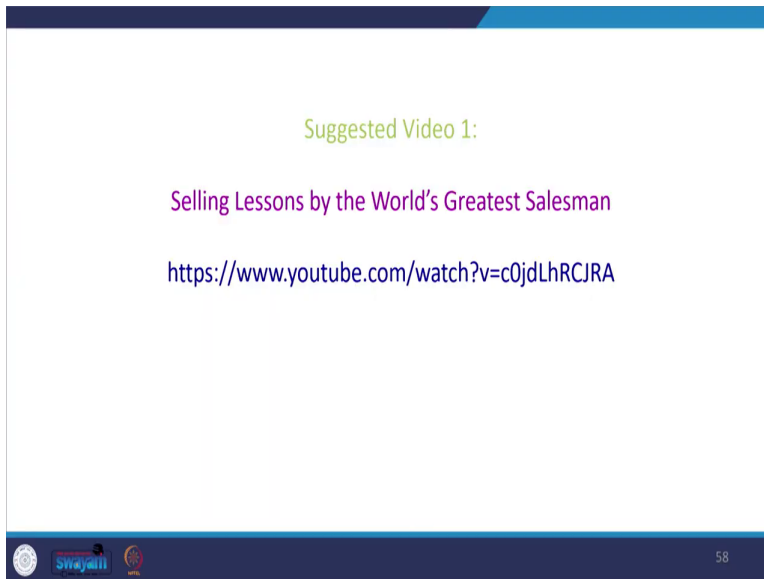
Source: For the image: <https://thesalesmindsetcoach.com/how-to-sell/>

Swajali 57

Now, we get to the another exciting part about Joe Girard this is one of you know the elements of extra fodder for thought. So, here it is about the Joe Girard just look at this gentleman born into poverty Joe Girard sold around 13001 cars over the course of 15 years and trust me these were not fleet sales fleet sales means these were not sold you know to a large group. Let us say if TATA group buys you know let us say 200 cars or one organization buy which they need to use for their employees.

That was not the case these are all individual car buyers. He holds the Guinness World Record for being the world's greatest salesman. In 1973 he sold 1425 cars and in one month 174 which is a record even today. So, this is one of the gentlemen that we really need to celebrate. So, as a part of offering you something more here are links for the videos that you can definitely hear.

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Suggested Video 1:

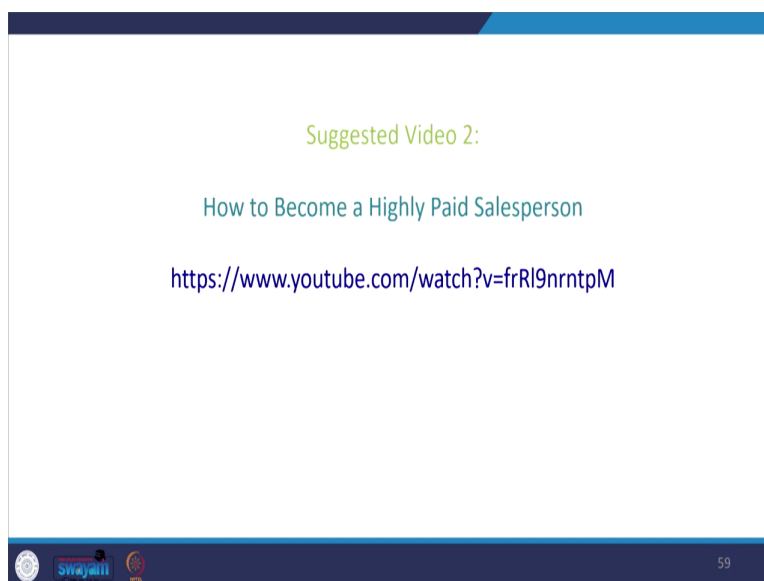
Selling Lessons by the World's Greatest Salesman

<https://www.youtube.com/watch?v=c0jLhRCJRA>

58

The slide features a dark blue header and footer. The footer contains the Swayam logo and the number 58.

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Suggested Video 2:

How to Become a Highly Paid Salesperson

<https://www.youtube.com/watch?v=frRl9nrntpM>

59

The slide features a dark blue header and footer. The footer contains the Swayam logo and the number 59.

Two video links; one is about selling lessons by the world's greatest salesman other one is about how to become a highly paid salesman. So, now, as we will move further we will be talking about selling in a VUCA world, but this is going to be in the next session. So, I hope this session was kind of very enriching for you with respect to learning new things about the sales world thanking you for now.