

P R I N C I P L E S O F  
**Marketing**

## **Chapter Sixteen**

### **Personal Selling and Sales Promotion**



# Personal Selling and Sales Promotion

## Topic Outline



- Personal Selling
- Role of the Sales Force
- Managing the Sales Force
- The Personal Selling Process
- Sales Promotion



# Personal Selling

## The Role of the Sales Force

**Personal selling** is the interpersonal part of the promotion mix and can include:

- Face-to-face communication
- Telephone communication
- Video or Web conferencing



# Personal Selling

## The Nature of Personal Selling

**Salespeople** are an effective link between the company and its customers to produce customer value and company profit by:

- Representing the company to customers
- Representing customers to the company
- Working closely with marketing



# Managing the Sales Force

- Sales force management is the analysis, planning, implementation, and control of sales force activities



# Managing the Sales Force

## Designing Sales Force Structure

Territorial sales force structure

Product sales force structure

Customer sales force structure

Complex sales force structure



# Managing the Sales Force

## Sales Force Structure

**Territorial sales force structure** refers to a structure where each salesperson is assigned an exclusive geographic area and sells the company's full line of products and services to all customers in that territory

- Defines salesperson's job
- Fixes accountability
- Lowers sales expenses
- Improves relationship building and selling effectiveness



# Managing the Sales Force

## Sales Force Structure

**Product sales force** structure refers to a structure where each salesperson sells along product lines

- Improves product knowledge
- Can lead to territorial conflicts





# Managing the Sales Force

## Sales Force Structure

**Customer sales force structure** refers to a structure where each salesperson sells along customer or industry lines

- Improves customer relationships



# Managing the Sales Force

## Sales Force Structure

**Complex sales force** structure refers to a structure where a wide variety of products is sold to many types of customers over a broad geographic area and combines several types of sales force structures



# Managing the Sales Force

## Sales Force Size

**Salespeople** are one of the company's most productive and expensive assets.

- Increases in sales force size can increase sales and costs
- **Workload approach** to sales forces size refers to grouping accounts into different classes to determine the number of salespeople needed



# Managing the Sales Force

## Other Sales Force Strategy and Structure Issues

**Outside salespeople** call on customers in the field

**Inside salespeople** conduct business from their offices and often provide support for the outside salespeople

- Technical sales support people
- Sales assistants

**Team selling** is used to service large, complex accounts



# Managing the Sales Force



## Recruiting and Selecting Salespeople Issues in Recruiting and Selecting

- Careful selection and training increases sales performance
- Poor selection
- Increases recruiting and training costs
  - Lost sales
  - Disrupts customer relationships



# Managing the Sales Force

Salesperson compensation based on:



Fixed  
amounts

Variable  
amounts

Expenses

Fringe  
benefits



# Managing the Sales Force

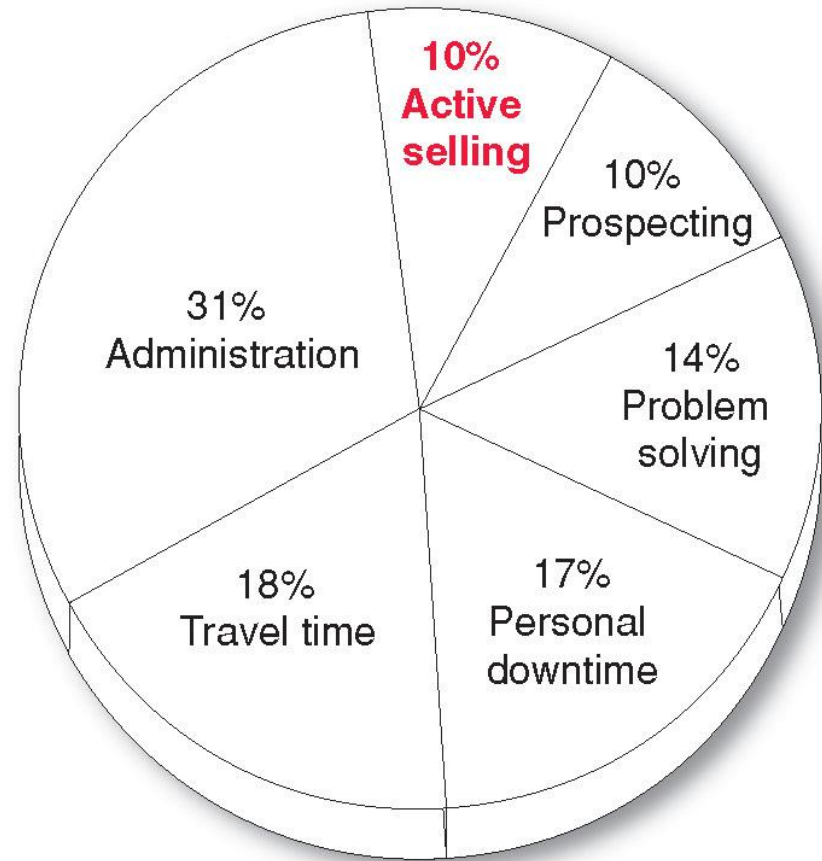
## Supervising and Motivating Salespeople

- The goal of supervision is to help salespeople work smart by doing the right things in the right ways
- The goal of motivation is to encourage salespeople to work hard and energetically toward sales force goals



# Managing the Sales Force

## How Salespeople Spend Their Time





# Managing the Sales Force

## Selling and the Internet

Major tool to support salespeople



Training

Sales meetings

Live sales presentations

Servicing accounts



# Managing the Sales Force

## Supervising and Motivating Salespeople

- Sales morale and performance can be increased through:
  - Organizational climate
  - Sales quotas
  - Positive incentives

