

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

Chapter Sixteen

Personal Selling and Sales Promotion



Managing the Sales Force

Evaluating Salespeople and Sales Force Performance



Sales
reports

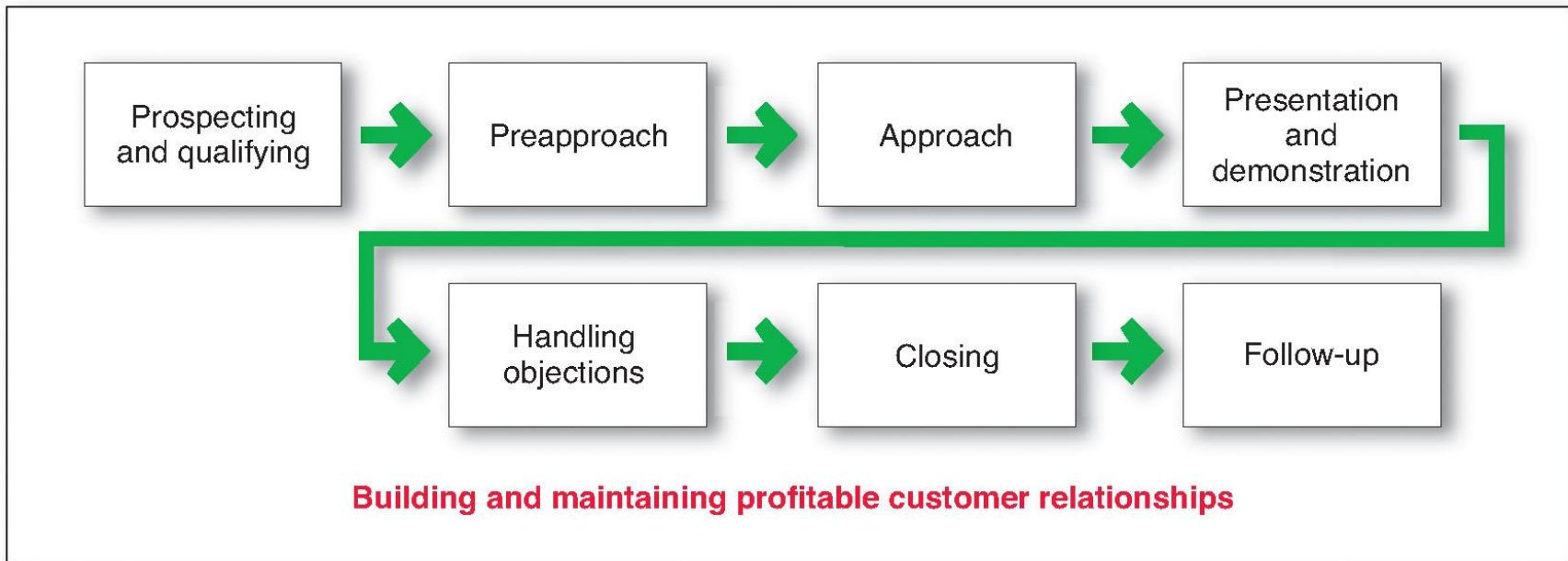
Call
reports

Expense
reports



The Personal Selling Process

The goal of the personal selling process is to get new customers and obtain orders from them



The Personal Selling Process

Steps in the Personal Selling Process

Prospecting identifies qualified potential customers through referrals from:

- Customers
- Suppliers
- Dealers
- Internet



The Personal Selling Process

Steps in the Personal Selling Process

Qualifying is identifying good customers and screening out poor ones by looking at:

- Financial ability
- Volume of business
- Needs
- Location
- Growth potential



The Personal Selling Process

Steps in the Personal Selling Process

Pre-approach is the process of learning as much as possible about a prospect, including needs, who is involved in the buying, and the characteristics and styles of the buyers

Objectives

- Qualify the prospect
- Gather information
- Make an immediate sale

Approaches

- Personal visit
- Phone call
- Letter



The Personal Selling Process

Steps in the Personal Selling Process

Approach is the process where the salesperson meets and greets the buyer and gets the relationship off to a good start and involves the salesperson's:

- Appearance
- Opening lines
- Follow-up remarks



The Personal Selling Process

Steps in the Personal Selling Process

- Opening lines should be positive, build goodwill, and be followed by key questions to learn about the customer's needs or showing a display or sample to attract the buyer's attention and curiosity
- The most important attribute is for the salesperson to: **listen**



The Personal Selling Process

Steps in the Personal Selling Process

Presentation is when the salesperson tells the product story to the buyer, presenting customer benefits and showing how the product solves the customer's problems

- Need-satisfaction approach: Buyers want solutions and salespeople should listen and respond with the right products and services to solve customer problems



The Personal Selling Process

Steps in the Personal Selling Process

Bad Traits

Pushy

Late

Deceitful

Disorganized

Unprepared

Good traits

Good listeners

Empathetic

Honest

Dependable

Thorough

Follow-up types



The Personal Selling Process

Steps in the Personal Selling Process

Handling objections is the process where salespeople resolve problems that are logical, psychological, or unspoken



The Personal Selling Process

Steps in the Personal Selling Process

Closing is the process where salespeople should recognize signals from the buyer—including physical actions, comments, and questions—to close the sale



The Personal Selling Process

Steps in the Personal Selling Process

Follow-up is the last step in which the salesperson follows up after the sale to ensure customer satisfaction and repeat business



The Personal Selling Process

Personal Selling and Managing Customer Relationships

Personal selling is transaction-oriented to close a specific sale with a specific customer

- The long-term goal is to develop a mutually profitable relationship



Sales Promotion

Sales promotion refers to the short-term incentives to encourage purchases or sales of a product or service:

- Consumer promotions
- Trade promotions
- Sales force promotions



Sales Promotion

Factors in the Growth of Sales Promotions

- Product managers are under pressure to increase current sales
- Companies face more competition
- Competing brands offer less differentiation
- Advertising efficiency has declined due to rising costs, clutter, and legal constraints
- Consumers have become more deal-oriented



Sales Promotion

Sales Promotion Objectives

- Setting sales promotion objectives includes using:
 - Consumer promotions
 - Trade promotions
 - Sales force promotions



Sales Promotion

Major Sales Promotion Tools

Samples	Coupons	Cash refunds	Price packs
Premiums	Advertising specialties	Patronage rewards	Point-of-purchase displays
Demonstrations	Contests	Sweepstakes	Games



Sales Promotion

Major Sales Promotion Tools Consumer Promotion Tools

Samples offer a trial amount of a product

Coupons are certificates that give buyers a saving when they purchase specified products

Cash refunds are similar to coupons except that the price reduction occurs after the purchase

Price packs offer consumers savings off the regular price of a product



Sales Promotion

Major Sales Promotion Tools Consumer Promotion Tools

Premiums are goods offered either for free or at low price

Advertising specialties are useful articles imprinted with the advertiser's name, logo, or message that are given as gifts to consumers

Point-of-purchase promotions include displays and demonstrations that take place at the point of sales



Sales Promotion

Major Sales Promotion Tools Consumer Promotion Tools

Contests, sweepstakes, and games give consumers the chance to win something—such as cash, trips, or goods—by luck or through extra effort

- Contests require an entry by a consumer
- Sweepstakes require consumers to submit their names for a drawing
- Games present consumers with something that may or may not help them win a prize
- Event marketing



Sales Promotion

Major Sales Promotion Tools Trade Promotion Tools

Discount

Allowance

Free
goods

Specialty
advertising



Sales Promotion

Major Sales Promotion Tools Business Promotion Tools

Conventions and trade shows are effective to reach many customers not reached with the regular sales force

Sales contests are effective in motivating salespeople or dealers to increase performance over a given period



Sales Promotion

Developing the Sales Promotion Program

- Size of the incentive
- Conditions for participation
- Promote and distribute the program
- Length of the program
- Evaluation of the program

