

for Fort Washington, PA-based CDNow provides consumers with a sample of dynamically updated content housed on the music retailer's site. When the consumer clicks an arrow on the ad, it expands to show the top 10 songs in CDNow's top 100 Billboard ChartS

SALES PROMOTION AND PUBLIC RELATIONS

For several years, sales promotion and public relations have been often misunderstood, mis-measured, and misused by a great many marketers. Unlike advertising and personal selling that can claim formal structures and point to obvious accomplishments, sales promotion and PR have neither. Although this situation is changing somewhat, there is still a great deal of room for improvement. In the case of sales promotion, there exists some confusion as to which activities actually fall under this heading. Are packaging, couponing, and point-of-purchase displays all sales promotion? Because the answer to this question varies from organization to organization and across situations, sales promotion is often viewed as a catch-all category that includes everything that an organization does not label advertising or public relations.

Public relations, too, is difficult to define as it deals with the ultimate intangible—creating a positive image of the company. Not only is this difficult to accomplish, but it is also virtually impossible to ascertain if you have succeeded and to what extent. An organization, for instance, might sponsor a free barbecue for a Fourth of July celebration and never really know if the money spent produced additional business. Management has a difficult time appreciating an activity that produces indirect results.

Sales Promotion: A Little Bit of Everything

As the newest member of the promotional team, sales promotion has suffered from a serious identity crisis. For example, initially the American Marketing Association defines sales promotion as, "marketing activities, other than personal selling, advertising, and publicity, that stimulate consumer purchasing and dealer effectiveness, such as displays, shows and exhibitions, demonstrations, and various non-recurrent selling efforts not in the ordinary routine."⁶ In the AMA view, sales promotion supplements both personal selling and advertising, coordinates them, and helps make them more effective.⁶ However, this does not provide an accurate portrayal of the role played by sales promotion. A simple way of viewing sales promotion is to say that it means *special offers*: *special* in the sense that they are extra as well as specific in time or place; offers in the sense that they are direct propositions, the acceptance of which forms a deal. Simply, it increases the perceived value of the product.

As in most aspects of marketing, the rationale of sales promotion is to provide a direct stimulus to produce a desired response by customers. It is not always clear, however, what the distinctions are between sales promotion and advertising, personal selling and public relations. For example, suppose that Pillsbury decides to tape three cans of their butternut milk canned biscuits together and sell them for a price slightly cheaper than the three sold individually. Is that a branded multipack special offer and therefore promotional? Or is it just an example of a giant-sized economy pack, and therefore a product or packaging tactic? In order to sort out which it is, the question has to be asked, is it intended to be a permanent feature of the manufacturer's product policy to have the family pack as a component of the product? If it is not, it is a sales promotion scheme.


The same sort of problem comes up when studying strategies run by firms in service industries. If a hotel offers cut-price accommodations at off-peak times of the year, is it a feature of the hotel management's pricing policy or is it a promotional tactic? If the

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AD 8.1 Here's an excellent example of a sales promotion.

hotel management provides price reductions on tickets to local theaters for their guests, is it part of the product or is it a device to attract customers for a limited period only? Again, the answer can only be given once the question about performance is asked. Even then, there still tend to be elements of advertising, personal selling, public relations and sales promotion in many promotional vehicles, and this may be the right approach. A candy



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AD 8.2 Example of a rebate offer.

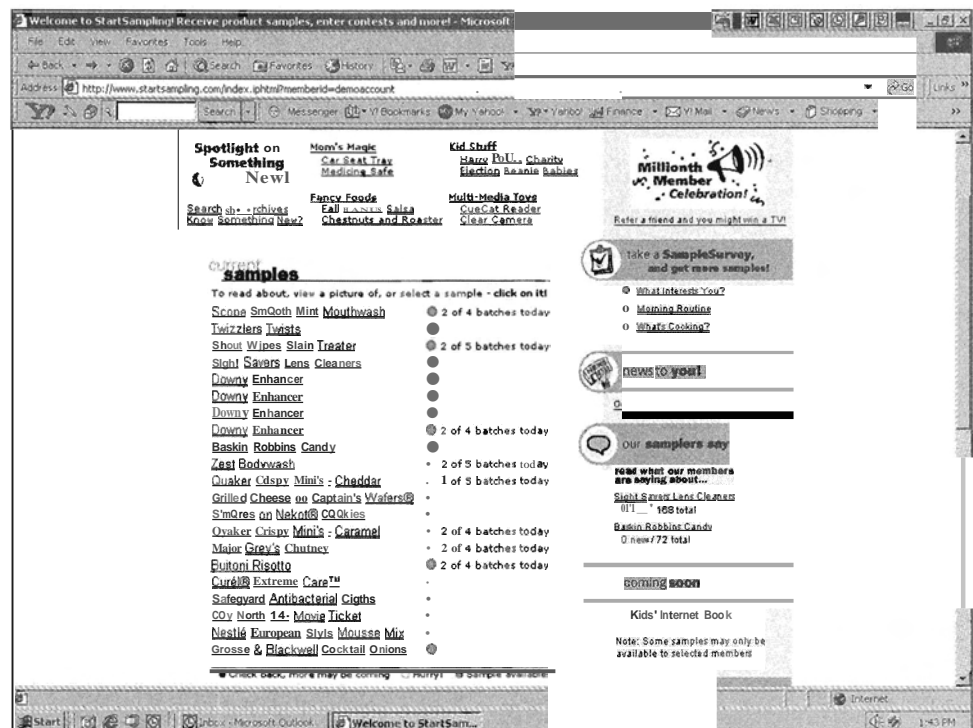
manufacturer, for instance, has made substantial contributions of both cash and products to the local heart fund telethon. Immediately following the telethon, they run a full-page ad in several magazines describing their contributions, and describing a special rebate of 5¢ for every candy wrapper mailed in. The 5¢ can be donated to the heart fund if the customer wishes. The sales reps also have copies of this promotion to show their customers. Clearly, this strategy has all four components of the IME mix.

Types of Sales Promotion

There are a great many techniques that are considered sales promotion. One way of organizing this myriad of techniques is in terms of audience. As shown in Table 8.4, sales promotions are directed at consumers, employees, and distributors, and dealers. While consumers attract the greatest number of sales promotion devices, the other two audiences are growing in importance. While space does not permit a discussion of these strategies, some generalizations apply to all. Specifically, the value of a sales promotion is especially prominent when a marketer is introducing a new product, especially a product with high perceived risk; is interested in creating a repeat purchase pattern for the customer; is attempting to create movement of large amounts of products quickly; is attempting to counter the strategy of a competitor; and is trying to move marginal customers to make a choice. Sales promotion cannot compensate for a poor product or ineffective advertising. Nor can it create strong brand loyalty or reverse a declining sales trend.

Public Relations: The Art of Maintaining Goodwill

Every organization engages in some form of public relations (PR). In essence, every form of communication emitted by an organization both internally and externally is perceived by various publics. In turn, these publics form attitudes and opinions about that organization, which affect their behaviors. These behaviors range from low morale on the part of the employees to product rejection on the part of consumers.



AD 8.3 StartSampling offers its more than 1.5 million members the chance to try a wide variety of samples while helping marketers more effectively connect with their target audience.



AD 8.4 Both StartSampling and FreeSamples.com have systems in place to prevent inventory depletion.

Nevertheless, public relations looms as one of the most misunderstood and mistrusted elements in marketing. Consequently, management may provide marketing in general with full support, ample scope, and time for planning, but often does not establish a role for public relations. Public relations may be brought in belatedly at advanced stages of marketing process as a peripheral area with no real purpose.

Obtaining a good working definition of public relations requires an acknowledgement of the concept's core elements. Four such elements emerge. First, the ultimate objective of **PR** is to retain as well as create goodwill. Second, the successful procedure to follow in public relations is to first do good, and then take credit for it. Third, the publics addressed by the **PR** program must be described completely and precisely. In most instances, **PR** programs are aimed at multiple publics that have varying points of view and needs. Consequently, the publics served should be researched just as carefully as the target audiences for an advertising campaign. Finally, public relations is a planned activity. There is an intelligence behind it.

The definition that encompasses all these considerations, and was coined at the First Assembly of Public Relations Associations in 1987, follows:

Public Relations practice is the art of social science in analyzing trends, predicting their consequences, counseling organization leaders, and implementing planned programs of action, which serve both the organizations and the public interest.⁷

TABLE 8.4 Types of Sales Promotion Techniques

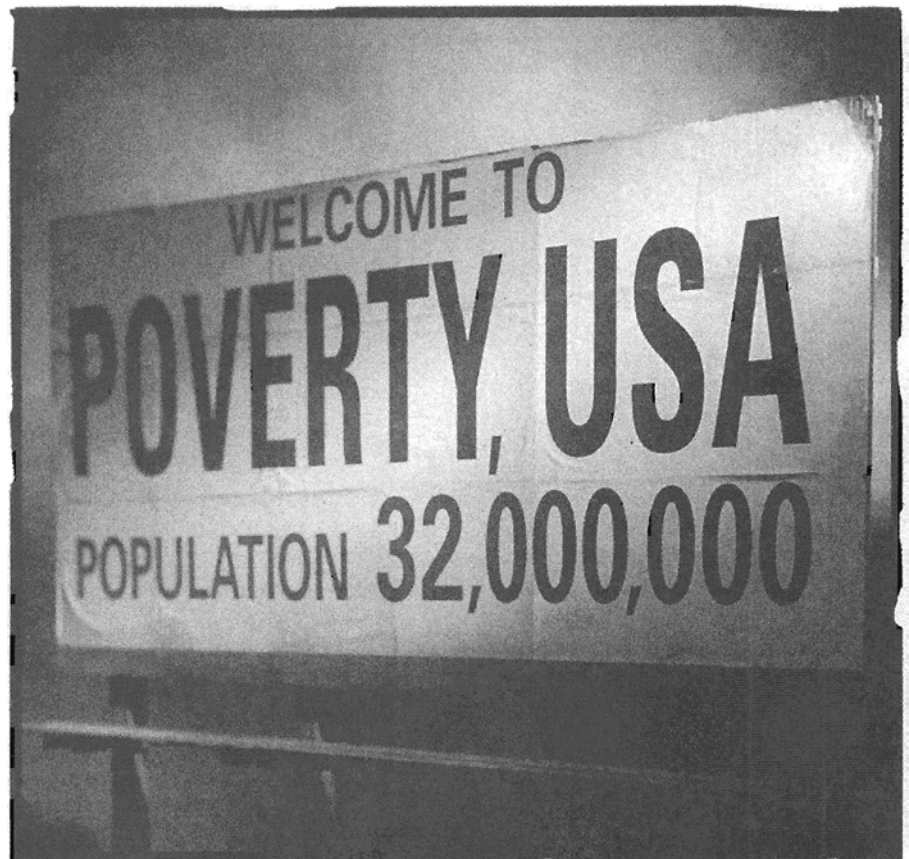
Audience/Technique	Description
CONSUMER	
Price Discounts	Temporary reduction in price, often at point of purchase.
Coupon offers	Certificates redeemable for amount specified.
Combination offers	Selling two products in conjunction at a lower total price.
Contests	Awarding of prizes on the basis of chance or consideration.
Rebates	Refund of a fixed amount of money.
Premiums	Tangible reward received for performing an act, normally a purchase.
Trading stamps	Certificate awarded based on purchase amount.
Sampling	Providing the product either free or for a small fee.
EMPLOYEE	
Orientation program	Introducing the employee to company facts.
Fringe benefits	Extra incentives provided by company to employee.
Institutional promotion	Messages portraying company in a positive light.
Motivational programs	Temporary incentives, e.g., contests, prizes, or awards.
DISTRIBUTOR/DEALER	
Contests	Temporary incentives offered for specific performance.
Trade shows	Central location where products are displayed/sold.
Push money/dealer loaders	Money offered for selling specified amounts of product.
Trade deals	Dealers receive special allowances, discounts, goods, or cash.

Public Relation's Publics

A *public* may be said to exist whenever a group of people is drawn together by definite interests in certain areas and has definite opinions upon matters within those areas. There are many publics, and individuals are frequently members of several that may sometimes have conflicting interests. For example, in the case of a school bond vote, a voter might be torn between feelings as a parent and as a member of a conservative economic group opposed to higher taxes; or an elderly couple, with no children now in school, might be parents of a teacher.

Public relations must be sensitive to two general types of publics: internal and external. *Internal publics* are the people who are already connected with an organization, and with whom the organization normally communicates in the ordinary routine of work. Typical internal publics in an industry are the employees, stockholders, suppliers, dealers, customers, and plant neighbors. For example, employees want good wages and working conditions, opportunities for advancement, and a secure retirement. Customers want a dependable supply of quality products provided at a fair price and supported by convenient services. Stakeholders want dividends, growth, and a fair return on their investments.

External publics are composed of people who are not necessarily closely connected with a particular organization. For example, members of the press, educators, government officials, or the clergy may not have an interest in an industry. The leaders of the industry cannot assume any automatic interest and, to some extent, must choose whether to communicate with these groups.



It's the second largest state in America. And every resident is struggling to get out

It's bigger than Texas, Florida or New York - but you **won't** find it on any map. It holds **more** people than Connecticut, Kentucky, Maryland, Michigan, New Jersey and Nevada **combined** - but it's a state of bitter uncertainty. It's home to one out of every eleven families in America. It's home to one out of every six children in America. It's home to more than 32 million desperate people trapped within its cruel boundaries. It's the state of **poverty** in America. And if you were poor, you'd be home by now.

POVERTY.
America's forgotten state.

Catholic Campaign for Human Development
1-800-946-4243
www.povertyusa.org



AD 8.5 The Catholic Campaign for Human Development is hoping to convey the message that one in nine Americans *lives* below the *poverty* line.

There is, of course, interaction between internal and external publics. Yet it cannot be assumed that good relations with insiders will ever be translated to outsiders without effort. An employee who is quite happy on the job may be much more interested in bowl-

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ing than in the fact that the firm has just opened a new branch in Phoenix. The firm must think of what interests the external public and not what interests the firm. With employees and other internal publics, there is a fair chance that all interests may coincide because all are connected with the same organization; with an external audience, the assumption should be that the chance of such accidental coincidence of interest is slight.

Public Relations Techniques

The public relations process is quite complex and involves a wide variety of techniques. Public relations is different than any other type of promotion, because a great deal of the communication provided by a PR person must be screened and reprocessed through a third party that is not employed by the company. Therefore, if I wished for the local newspaper and television station to carry a story detailing the grand opening of my new store, I have no guarantee that either will send representatives to cover the store opening or that they will cover it the way I would have liked. Even if I were to write the story myself and send it to the newspaper, including appropriate photographs, the editor might choose not to print it or to modify it. The fact that PR is characterized by a low level of control necessitates that PR people establish a positive relationship with the various media. Without first accomplishing this goal, the tools employed by the PR person are usually doomed to failure. Various public relations techniques are described in Table 8.5.

Personal Selling and the Marketing Communication Mix

Few companies coordinate marketing communication efforts in support of the sales force. Salespeople are often separated from marketing communications specialists because of both the structure of the business and difference in perspective. Most salespeople view other marketing communication activities strictly as a means to help sell a product or company. Advertisers, sales promotion managers, and public relations experts rarely consider the needs and suggestions of salespeople, and salespeople seldom pay attention to information about a marketing communication campaign.

TABLE 8.5 Public Relations Techniques

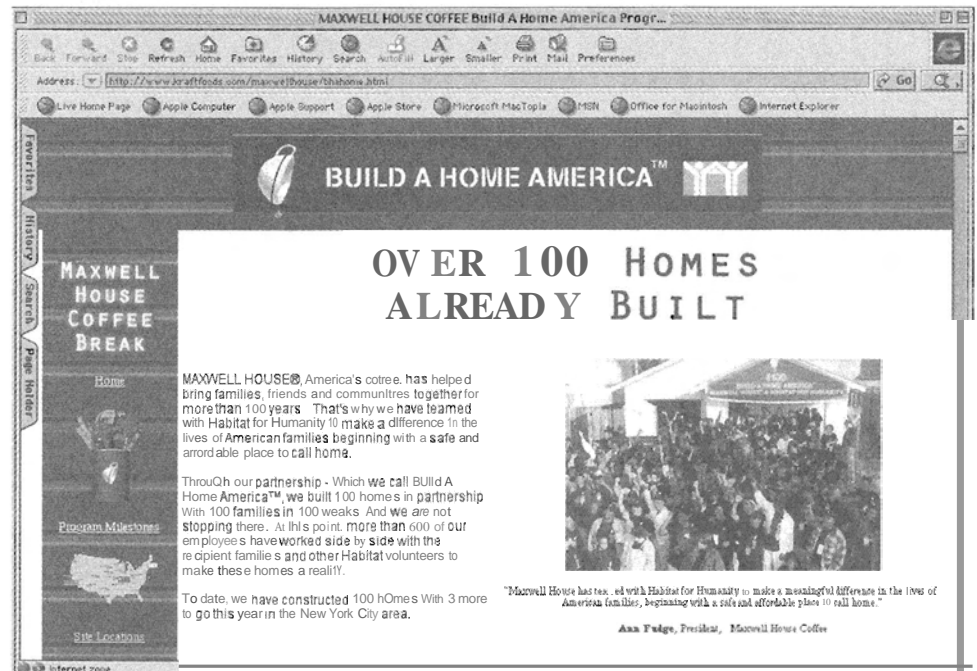
TECHNIQUE	DESCRIPTION
News release (press release)	A prepared statement sent to various media.
Press conference	Meeting attended by media representatives for the purpose of making announcements or answering questions.
Delivering bad news	System that anticipates and handles negative events.
Publicity photographs	A prepared photo sent to various media.
Company publications	Magazines, newspapers, and newsletters produced by the company, depicting specific stories.
Open houses/tours	Providing various publics' access to plant facilities.
Meetings	Planned meeting provided for various publics, especially employees and stockholders.
Organized social activities	Company-sponsored social activities directed at employees, e.g., teams and picnics.
Participation	Company-encouraged involvement in community activities, e.g., clubs, charities.
Motion pictures/slides	Professionally produced films and slides about some aspect of the company, provided to various publics.

MARKETING CAPSULE •

1. Advertising is the marketing communication technique that provides messages to mass audiences via a creative strategy and a media strategy.
2. The organization for advertising may include an in-house advertising department or an external agency.
3. The creative strategy includes what you are going to say to the audience and the means for delivering the message.
4. Sales promotion adds value to the product, and can be targeted at consumers, salespeople, or distributors.
5. Public relations maintains or enhances goodwill with the company's various publics.

Integrating personal selling with other marketing communication elements may seriously affect that salesperson's job. Regis McKenna, international consultant, contends that although marketing technology has made salespeople more effective, it may also decrease the need for traditional salespeople who convince people to buy. As we move closer to "real-time" marketing, he believes customers and suppliers will be linked directly, so that customers can design their own products, negotiate price with suppliers, and discuss delivery and other miscellaneous concerns with producers rather than salespeople. McKenna suggests that the main role of salespeople will no longer be to "close" the sale. Instead it will be to carry detailed design, quality, and reliability information, and to educate and train clients.⁸

Don Schultz, Northwestern University professor of marketing and proponent of IME, supports this notion of the modern salesperson. "If you create long-term affiliations, then you don't sell. You form relationships that help people buy." He observes that because products have become more sophisticated, the businesses that buy are often smaller than those that sell. "Today, I think the sales force is primarily focused on learning about the product



AD 8.6 This ad is typical of Institutional Public Relations advertising.

Source URL: <http://globaltext.terry.uga.edu/userfiles/pdf/Core%20Concepts%20of%20Marketing.pdf>
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and not about the market. We're talking about flipping that around," he concludes.⁹ In short, effective personal selling must focus on customer relationships.

To integrate personal selling with other marketing communication tools to forge strong customer relationships, top management should lead the integration effort. Unless managers understand what salespeople do, however, integration may not be successful. Before considering how to combine selling efforts with other marketing communication tools, we first examine the job of personal selling.

The underlying rationale for personal selling is facilitating exchange. As suggested by a personal selling expert, it is "the art of successfully persuading prospects or customers to buy products or services from which they can derive suitable benefits, thereby increasing their total satisfaction." A professional salesperson recognizes that the long-term success for the organization depends on consistently satisfying the needs of a significant segment of its target market. This modern view of selling has been called "nonmanipulative selling," and the emphasis of this view is that selling should build mutual trust and respect between buyer and seller. Benefit must come to both parties. This perspective is developed further in the Integrated Marketing box that follows.

Types of Selling

Considerable differences exist in the various kinds of selling tasks. Early writers provided two-way classification of selling jobs, consisting of *service selling*, which focuses on obtaining

INTEGRATED MARKETING

SELLING INVOLVES EVERYTHING

Salespeople have been taught for years that the key to successful selling is finding out what people need and then doing whatever it takes to fill that need. There are thousands of books and articles based on this principle alone. Recently, however, many sales professionals are discovering a better way to sell.

The real definition of selling has to do with finding out what people or businesses do, where they do it, and why they do it that way, and then helping them to do it better.

The word "need" doesn't appear in that definition at all, because there is no need associated with today's selling. A successful salesperson first asks the prospect about the company's goals before trying to fill an imagined need with the product or service being sold.

Critics of this approach say that determining what a business does is the same as determining its needs. "It's all semantics," they say. "The word 'do' is the same as the word 'need'." But it's not semantics. There is a major difference in the new sales philosophy.

What does the concept of need-driven sales really mean? For one thing, the word "need" implies that something is missing. For example, if a car has only three wheels, there is a need for a fourth. The driver of the car realizes that something is missing and stops at the nearest tire shop.

A business generally has a full complement of tires, or needed items. Even if a business needs something, it does not

want a salesperson to call. The needed service or items is bought as soon as the need is recognized. In a proactive sale, the business is running smoothly when the salesperson calls. The salesperson, having been trained in a needs-driven industry, asks the prospect what is missing. The buyer replies that nothing is needed. The salesperson insists that something must be wrong, and attempts to prove that there is a solution to the "pain" the business is experiencing.

There are two possible outcomes to this scenario. The first is that no sale is made. The second is that the salesperson does uncover some deep-seated problem that can be fixed, and a sale is made. But this is an arduous process that pays off all too infrequently.

The top competitor of salespeople today is the status quo. People continue to do what they do because it works. The salesperson is a messenger of change. He or she makes a sale by helping someone improve the way they do business.

Sources: Stephan Schiffman, "Here's the Real Definition of Selling," *The Marketing News*, December 8, 1997, pp. 4-5; Diana Ray, "Value-based Selling," *Selling Power*, September 1999, pp. 30-33; Rochelle Garner, "The Ties That Bind," *Sales & Marketing Management*, October 1999, pp. 71-74.

Factor	Personal Selling	Mass Selling
Speed in a Large Audience	Slow	Fast
Cost per Individual Reached	High	Low
Ability to Attract Attention	High	Low
Clarity of Communications	High	Moderate
Chance of Selective Screening	Moderate	High
Direction of Message Flow	Two Way	One Way
Speed of Feedback	High	Low
Accuracy of Feedback	High	Low

FIGURE 8.5 Differences in personal selling and mass promotion

sales from existing customers, and *developmental selling*, which is not as concerned with immediate sales as with converting prospects to customers.

Most sales positions require some degree of both types of selling. Sales jobs can be classified on a continuum of service selling at one end to developmental selling at the other. Nine types of sales jobs are classified on this continuum (see Figure 8.6).

Service selling involves the following participants:

1. *Inside order taker*-predominantly waits on customer; for example, the sales clerk behind the neckwear counter in a men's store.
2. *Delivery salesperson*-predominately engaged in delivering the product; for example, persons delivering milk, bread, or fuel oil.
3. *Route or merchandising salesperson*-predominantly an order taker, but works in the field; for example, the soap or spice salesperson calling on retailers.
4. *Missionary salesperson-position* where the salesperson is not expected or permitted to take an order but to build goodwill or to educate the actual or potential user; for example, the distiller's missionary and the pharmaceutical company's detail person.

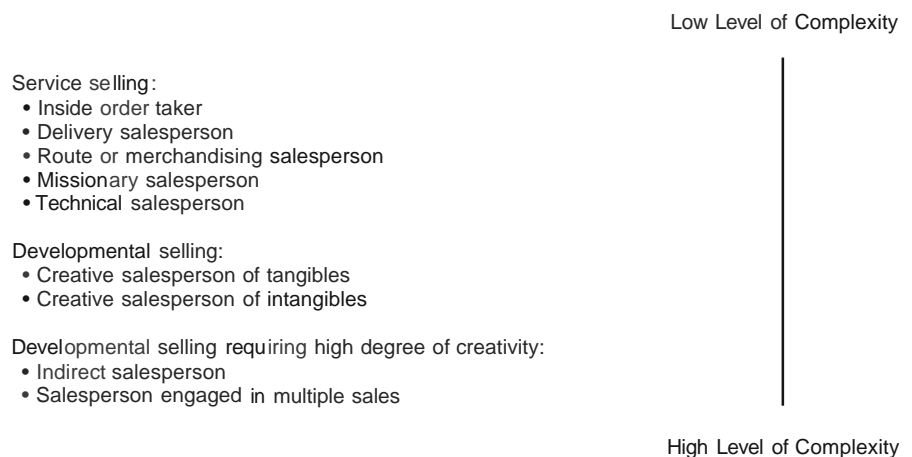


FIGURE 8.6 A continuum of personal selling positions

5. *Technical salesperson-major* emphasis is placed upon technical knowledge; for example, the engineering salesperson who is primarily a consultant to client companies.

Developmental selling involves the following participants:

1. *Creative salesperson o/tangibles*-for example, salespersons selling vacuum cleaners, refrigerators, siding, and encyclopedias.
2. *Creative salesperson o/intangibles*-for example, salespersons selling insurance, advertising services, and educational programs.

Developmental selling, but requiring a high degree of creativity, involves the following participants:

1. *Indirect salesperson-involves* sales of big ticket items, particularly of commodities or items that have no truly competitive features. Sales consummated primarily through rendering highly-personalized services to key decision-makers in customers' organizations.
2. *Salesperson engaged in multiple sales-involves* sales of big-ticket items where the salesperson must make presentations to several individuals in the customer's organization, usually a committee, only one of whom can say *yes*, but all of whom can say *no*. For example, the account executive of an advertising agency who makes presentation to the *agency selection committee*. Even after the account is obtained, the salesperson generally has to work continually to retain it.

While the developmental-service and oriented classifications are helpful to better our understanding of the selling job, there are several other traditional classifications.

Inside Versus Outside Selling Inside selling describes those sales situations in which selling takes place in the salesperson's place of business. Retail selling is inside selling. Outside selling represents situations in which the salesperson travels to the customer's place of business. Most industrial selling situations fall into this category.

Company Salespeople Versus Manufacturer Representatives A manufacturer's representative is an independent agent who handles the related products of noncompeting firms. Generally, these agents are used by new firms or firms that have little selling expertise. Company salespeople work for a particular company and sell only the product manufactured by that company.

Direct Versus Indirect Selling Indirect selling is characterized by situations in which people in the marketing channel are contacted who can influence the purchase of a product. This type of selling occurs in the pharmaceutical industry in which detail salespeople call on physicians in an effort to convince them to prescribe their firm's brand of drugs. Direct salespeople call on the person who makes the ultimate purchase decision.

The Selling Process

To better understand the job of a salesperson and how it should be managed, the selling process can be broken into a series of steps. Each step in the process may not be required to make every sale, but the salesperson should become skilled in each area in case it is needed. The steps are shown in Figure 8.7.

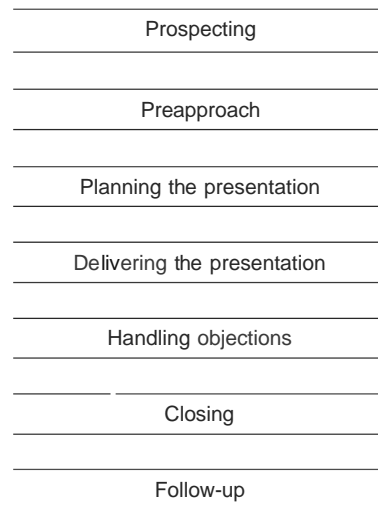


FIGURE 8.7 The selling process: steps involved

Prospecting *Prospecting* is defined as the seller's search for, and identification of, qualified potential buyers of the product or service. Prospecting can be thought of as a two-stage process: (1) identifying the individuals and/or the organizations that might be prospects, and (2) screening potential prospects against evaluative qualifying criteria. Potential prospects that compare favorably to the evaluative criteria can then be classified as qualified prospects.

Preapproach After the prospect has been qualified, the salesperson continues to gather information about the prospect. This process is called the *preapproach*. The preapproach can be defined as obtaining as much relevant information as possible regarding the prospect prior to making a sales presentation. The knowledge gained during the preapproach allows the tailoring of the sales presentation to the particular prospect. In many cases, salespeople make a preliminary call on the prospect for the purpose of conducting the preapproach. This is perfectly acceptable, and most professional buyers understand that such a call may be necessary before a sales presentation can be made.

Planning the Presentation Regardless of the sales situation, some *planning* should be done before the sales presentation is attempted. The amount of planning that will be necessary and the nature of the planning depend on many factors, including: (1) the objective or objectives of the presentation, (2) how much knowledge the salesperson has regarding the buyer, buyer needs, and the buying situation, (3) the type of presentation to be planned and delivered, and (4) the involvement of other people assisting the salesperson in the sales presentation. Careful planning offers advantages for both the salesperson and the buyer. By carefully planning the presentation, salespeople can: (1) focus on important customer needs and communicate the relevant benefits to the buyer, (2) address potential problem areas prior to the sales presentation, and (3) enjoy self-confidence, which generally increases with the amount of planning done by the salesperson. In planning the presentation, the salesperson must select the relevant parts of their knowledge base and integrate the selected parts into a unified sales message. For any given sales situation, some of the facts concerning the salesperson's company, product, and market will be irrelevant. The challenge to the salesperson is in the task of distilling relevant facts from the total knowledge base. The key question

here is, "What information will the prospect require before they will choose to buy my offering?"

Delivering the Presentation All sales presentations are not designed to secure an immediate sale. Whether the objective is an immediate sale or a future sale, the chances of getting a positive response from a prospect are increased when the salesperson: (1) makes the presentation in the proper climate, (2) establishes credibility with the prospect, (3) ensures clarity of content in the presentation, and (4) controls the presentation within reasonable bounds.

Handling Objections During the course of the sales presentation, the salesperson can expect the prospect to object to one or more points made by the salesperson. *Sales objections* raised by the prospect can be defined as statements or questions by the prospect which can indicate an unwillingness to buy. Salespeople can learn to handle customer's objections by becoming aware of the reasons for the objections. The objections of customers include objections to prices, products, service, the company, time, or competition. The reasons for objections include that customers have gotten into the habit of raising objections, customers have a desire for more information, and customers have no need for the product or service being marketed. Salespeople can overcome objections by following certain guidelines including viewing objections as selling tools, being aware of the benefits of their product, and creating a list of possible objections and the best answers to those objections.

Closing To a large degree, the evaluation of salespeople's performance is based on their ability to close sales. Certainly, other factors are considered in evaluating performance, but the bottom line for most salespeople is their ability to consistently produce profitable sales volume. Individuals who perform as salespeople occupy a unique role: they are the only individuals in their companies who bring revenue into the company.

There may be several opportunities to attempt to close during a presentation, or opportunity may knock only once. In fact, sometimes opportunities to close may not present themselves at all and the salesperson must create an opportunity to close. Situations where a closing attempt is logical include:

1. When a presentation has been completed without any objections from the prospect.
2. When the presentation has been completed and all objections and questions have been answered.

MARKETING CAPSULE •

1. Personal selling involves the direct presentation of a product or service idea to a customer or potential customer by a representative of the company or organization.
2. There are various types of selling: inside order taker, delivery salesperson, route-merchandise salesperson, missionary salesperson, technical salesperson, creative salesperson of tangibles, creative salesperson of intangibles, indirect salesperson, salesperson engaged in multiple sales.
3. The selling process includes the following steps:
 - a. Prospecting
 - b. Preapproach
 - c. Planning for presentation
 - d. Delivering the presentation
 - e. Handling objectives
 - f. Closing
 - g. Follow-up

3. When the buyer indicates an interest in the product by giving a closing signal, such as a nod of the head.

Follow-up To ensure customer satisfaction and maximize long-term sales volume, salespeople often engage in *sales follow-up* activities and the provision for post-sale service. If a sale is not made, a follow-up may eventually lead to a sale.

Strengths and Weaknesses of Personal Selling

Personal selling has several important advantages and disadvantages compared with the other elements of marketing communication mix (see Figure 8.5). Undoubtedly, the most significant strength of personal selling is its flexibility. Salespeople can tailor their presentations to fit the needs, motives, and behavior of individual customers. As salespeople see the prospect's reaction to a sales approach, they can immediately adjust as needed.

Personal selling also minimizes waste effort. Advertisers typically expend time and money to send a mass message about a product to many people outside the target market. In personal selling, the sales force pinpoints the target market, makes a contact, and expends effort that has a strong probability of leading to a sale.

Consequently, an additional strength of personal selling is that measuring effectiveness and determining the return on investment are far more straightforward for personal selling than for other marketing communication tools, where recall or attitude change is often the only measurable effect.

Another benefit of personal selling is that a salesperson is in an excellent position to encourage the customer to act. The one-on-one interaction of personal selling means that a salesperson can effectively respond to and overcome *objections* (customers' concerns or reservations about the product) so that the customer is more likely to buy. Salespeople can also offer many specific reasons to persuade a customer to buy, in contrast to the general reasons that an ad may urge customers to take immediate action.

A final strength of personal selling is the multiple tasks the sales force can perform. For instance, in addition to selling, a salesperson can collect payment service or repair products, return products, and collect product and marketing information. In fact, salespeople are often best at disseminating negative and positive word-of-mouth product information.

High cost is the primary disadvantage of personal selling. With increased competition, higher travel and lodging costs, and higher salaries, the cost per sales contract continues to increase. Many companies try to control sales costs by compensating sales representatives based on commission only, thereby guaranteeing that salespeople get paid only if they generate sales. However, commission-only salespeople may become risk-averse and only call on clients who have the highest potential return. These salespeople, then, may miss opportunities to develop a broad base of potential customers that could generate higher sales revenues in the long run.

Companies can also reduce sales costs by using complementary techniques, such as telemarketing, direct mail, toll-free numbers for interested customers, and online communication with qualified prospects. Telemarketing and online communication can further reduce costs by serving as an actual selling vehicle. Both technologies can deliver sales messages, respond to questions, take payment, and follow up.

Another disadvantage of personal selling is the problem of finding and retaining high-quality people. First, experienced salespeople sometimes realize that the only way their income can outpace their cost-of-living increase is to change jobs. Second, because of the push for profitability, businesses try to hire experienced salespeople away from competitors rather

than hiring college graduates, who take three to five years to reach the level of productivity of more experienced salespeople. These two staffing issues have caused high turnover in many sales forces.

Another weakness of personal selling is message inconsistency. Many salespeople view themselves as independent from the organization, so they design their own sales techniques, use their own message strategies, and engage in questionable ploys to create a sale. Consequently, it is difficult to find a unified company or product message within a sales force, or between the sales force and the rest of the marketing communication mix.

A final weakness is that sales force members have different levels of motivation. Salespeople may vary in their willingness to make the desired sales calls each day; to make service calls that do not lead directly to sales; or to use new technology, such as a laptop, e-mail, or the company's Web site. Finally, overzealous sales representatives may tread a thin line between ethical and unethical sales techniques. The difference between a friendly lunch and commercial bribery is sometimes blurred.

The Sales Force of the Future

What will the sales force of the year 2020 look like? Will it still consist of dependent operators who are assigned a territory or a quota? Will the high cost of competing in a global marketplace change the traditional salesperson? Although we can speculate about dramatic changes in the nature of personal selling, the traditional salesperson figure will likely remain intact for several decades. Why? Many products will still need to be sold personally by a knowledgeable, trustworthy person who is willing to resolve problems at any hour of the day.

Still, major changes in personal selling will occur, in large part due to technology. Though technology has increased selling efficiency, it has also resulted in more complex products, so that more sales calls are required per order in many industries. Also, because of the trend toward business decentralization, sales representatives now have more small or mid-sized accounts to service. Currently, companies such as Hewlett-Packard and Fina Oil and Chemical as well as many smaller companies provide laptop computers to all salespeople. Computer-based sales tracking and follow-up systems allow salespeople to track customers. This technology means that salespeople can assess customer-buying patterns, profitability, and changing needs more rapidly. Accessing this information via computer saves the salesperson time and allows customization of the sales presentation.

Sales teams will continue to gain in popularity because customers are looking to buy more than a product. They are looking for sophisticated design, sales, education, and service support. A sales team includes several individuals who possess unique expertise and can coordinate their efforts to help meet the needs of the particular prospect in every way possible. The salesperson acts as a team quarterback, ensuring that the account relationship is managed properly and that the customer has access to the proper support personnel.

Procter & Gamble is one company that has adopted the team approach. P&G has 22 sales executives who coordinate the sales effort of various P&G divisions in their assigned market areas. Each manager coordinates key account teams composed of sales executives from P&G's grocery division. As many as three key account teams may sell in each market. The marketing manager supervises a logistics team composed primarily of computer systems and distribution executives. The team works closely with retailers to develop mutually compatible electronic data and distribution systems. P&G hopes the team approach will reduce the pressure for trade promotions because the team provides greater service to resellers.

Salespeople of the future will have to adjust to new forms of competition. With the increased capabilities and greater use of direct marketing, for example, salespeople must

recognize that some customers will buy a product without contact with a salesperson. Product catalogs that feature everything from computers to classic automobiles are mailed directly to customers or ordered on the Internet. These often provide all the information about the product the customer needs to know. Questions can be answered through a toll-free number, an Internet comment form, or e-mail. Salespeople of the twenty-first century should either integrate direct marketing to support the selling process or offer the customer benefits not available through other marketing communications techniques.

On this very small planet, salespeople will also have to adjust to new sources of competition. Companies in Asia, South America, and Eastern Europe are introducing thousands of new products to industrialized nations every year. The salesperson of the future must know how to respond to foreign competitors and how to enter their markets. A program that integrates personal selling with other marketing communication tools will give salespeople more opportunity to act efficiently and have selling success.

NEWSLINE: NEW TOYS FOR SALES SUCCESS?

Recent technological advances have given salespeople more ways than ever to improve sales and productivity. To make technology work, however, you have to control it instead of letting it control you. Start by learning to use everyday tools (computer, fax, and e-mail) more efficiently and effectively. Once you know how to get the most out of technology, you can get more out of each workday.

- *Get a voice-mail advantage.* You can avoid time-consuming two-way phone conversations by outlining detail in voice mail. Also, if you need the person for whom you're leaving the message to take some actions, say so in the message, then say there's no need to call you back unless they have questions or problems.
- *Improve your email habits.* To avoid frequent interruptions to your workday, set aside specific, scheduled times during the day to answer your e-mail.
- *Fax casually.* When you're flooded with faxes, forget about taking the time to send replies on new sheets of paper and fill out cover sheets. Instead, simply hand-write your replies at the bottom of the fax you received and turn it around.
- *Get better acquainted with your PC.* Take an hour or so before or after work for a week to learn all of your computer's functions and how they can boost your productivity.
- *Make a sound investment.* You rely on technology every day to do your job, so it pays to spend a little more for equipment that won't let you down. Carefully assess your technology needs, then shop around for equipment that meets those needs without a lot of bells and whistles.
- *Take a break.* Overall increases in the speed of business can leave a salesperson feeling done in and turned out.

Sources: Robin Sharma, "A Technology Edge," *Selling Power*, January/February, 1998, pp. 37-38; Ginger Conlon, "How to Move Customers Online," *Sales & Marketing Management*, March 2000, pp. 27-28; Neil Rackman, "The Other Revolution in Sales," *Sales & Marketing Management*, March 2000, pp. 34-35.