

Personal Selling and Sales Promotion

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 Strategy and Structure

Territorial sales force structure

Product sales force structure

Customer sales force structure

Complex sales force structure

Managing the Sales Force

Recruiting and Selecting Salespeople

- Careful selection and training increases sales performance.
- Poor selection increases recruiting and training costs, leads to lost sales, and disrupts customer relationships.

Managing the Sales Force

Training Salespeople

- Goals of training
 - Customer knowledge
 - Selling process
 - Knowledge of products, company, competitors

Managing the Sales Force

Compensating Salespeople

**Fixed
amounts**

**Variable
amounts**

Expenses

**Fringe
benefits**

Managing the Sales Force

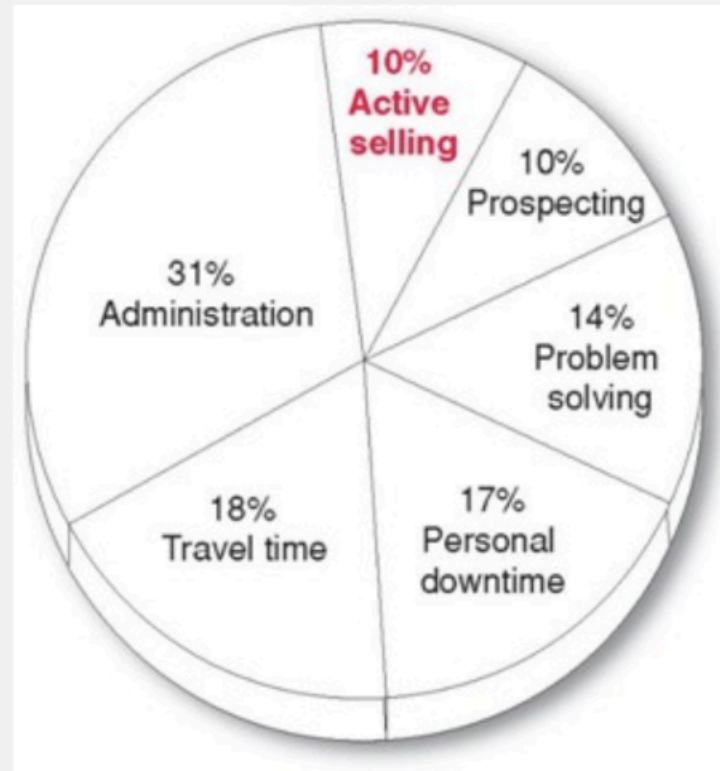
Supervising and Motivating Salespeople

- 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

Supervising and Motivating Salespeople

How Salespeople Spend Their Time



Managing the Sales Force

Supervising and Motivating Salespeople

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

Managing the Sales Force

Evaluating Salespeople and Sales Force Performance

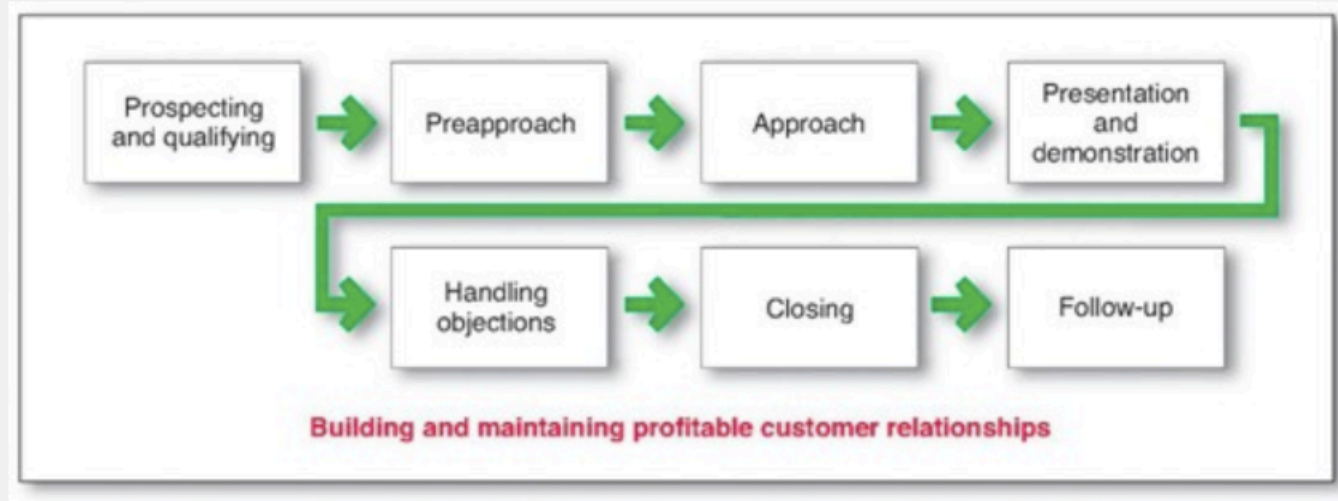
Sales reports

Call reports

Expense reports

The Personal Selling Process

Steps in the Personal Selling Process



Sales Promotion

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



Sales Promotion

Rapid 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

Major Sales Promotion Tools

Samples offer a trial amount of a product.

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

Rebates 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

Premiums are goods offered either for free or at a 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 sale.

Sales Promotion

Major Sales 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 or event sponsorship is creating a brand-marketing event or serving as a sole or participating sponsor of events created by others.

Sales Promotion

Major Sales Promotion Tools

Discount

Allowance

Free goods

**Specialty
advertising**

Sales Promotion

Major Sales 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
- Promotion and distribution of the program
- Length of the program
- Evaluation of the program