Chapter 9

STRATEGIC SALES MANAGEMENT

-- SOLVED QUESTIONS --

1. Explain what is personal selling and what are their main functions.

Personal selling is a way of interpersonal communication in which there is an oral two-way communication between buyer and seller. Its main functions are the following:

- Inform.
- Persuade.
- Develop favourable attitudes towards the product and the organization.
- Provide a service.
- To see and convey to management the changes observed in the market and its environment.

2. What is and what are the types of horizontal organization?

The horizontal organization is related to the type of salespeople and their functions, as well as the way the company sells. The more usual types of horizontal organization are:

- Geographic or area organization is the most used method; it consists in dividing the market into areas to which a certain number of salespeople are assigned.
- Product organization has as its aim the specialising of the salesperson, so that the sales team is organized by products or product lines, in such a way that there is a thorough knowledge of the products and a specialised sale to the customer.

- Organization by markets groups the salespeople according to the different customer segments, in such a way that a salesperson sells all the products of the company.
- In the organization according to functions, salespeople specialise in certain areas of the sale: market prospecting, assessment, telephone sales, contact with prescriptors, taking of orders…
- Mixed formulas are more common than the aforementioned pure systems; in these different formulas are combined to those already mentioned.

3. Explain what is a territory and what are its advantages.

A territory refers to a set of current and potential clients, located in a defined geographical area and assigned to a salesperson.

The advantages of territorial division are many, since it facilitates the programming of sales visits, improves control and provides an image of seriousness.

4. What is a route sheet?

It's the work tool used in routes, a document which includes the set of routes for a salesperson; these appear in order, including maps. The route sheet specifies the customers to be visited each day, including times, the journey and everything necessary to optimise the route.

5. In the profile of the seller, what aspects should be taken into account with respect to his character and personality?

Being a job that deals with the customer directly, the salesperson must have good manners and speech, be outgoing to foster conversation and must have great tenacity and patience in the face of customer objections and rejections. In addition, he/she must be able to adapt to them and have the creativity to solve problems and manage the different events that come up in a sale.

6. Discuss the stages of the selection of salespeople.

- Entry questionnaire: form requesting basic information and which provides a prior evaluation of the salesperson.
- Application of selection techniques: response tests, professional tests (essentially a sales role-play).
- A personal interview to meet and get to know the candidates, the interview may be individual or in a group.
- Reference cross-check, to confirm activities and positions held by the candidate.

7. What are the stages of sales training?

- Assessment of the training: analysing the needs of the sales department, course objectives, who must be trained, type and length of the course.
- Design of the training course: from the content to who will teach the course, as well as setting the timetables, so as to not interfere with the sales department's work, or whether it should be done inside or outside of the facilities.
- Selection of methods or teaching techniques to be used.
- Evaluation of the training in order to know if the fixed objectives have been met.

8. Explain what are the hygiene factors.

Hygiene factors are those that when in place, are not especially motivating, but when they are not present, produce great demotivation. These factors lose efficiency with time, so it is necessary to keep them updated. They may be related to company organization, security or salaries.

9. Discuss what are the bonuses and indirect and non-monetary compensation.

They are two types of remuneration in sales. Bonuses are a specific amount (in addition to regular pay) given for reaching an important goal, which is why it is an added incentive. Differently to commission, it is fixed amount, not a percentage.

On the other hand, compensations, indirect and not necessarily monetary, are additional perks given along with the pay or any commission; they are usually used when the salesperson does not have a lot of support from the other areas

of marketing. The most common are: health insurance, life insurance, pension plan, gifts, company car, etc.

10. What is the purpose of customer service and customer care?

The aim of customer service is to close the sale adequately, and afterwards keep and provide customer assistance. It is ideal for this stage to be as long as possible, which requires coordination with the rest of the company; in this way, if a customer has a problem, and requires a prompt solution, it will probably entail counting on the rest of the departments.