

INTRODUCTION OF SALES MANAGEMENT

SA

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INTRODUCTION OF
SALES MANAGEMENT
FIRST EDITION

INTRODUCTION OF **SALES** MANAGEMENT

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First Published - 2021

PUBLISHERS ARE KISHOR PUBLICATIONS

Publishers Kishor Kishorewala Global Pvt. Ltd.
Pentagon Chambers,
Salager Hill,
Gurgaon Road,
Salager

Telephone No. : 011 8888 8888

Fax No. : 011 8888 8888



PREFACE

The goal of this textbook is to illustrate how the sales team functions in this new environment, as well as how they may be managing to achieve maximum efficiency and effectiveness. We'll start by defining personal selling and exploring the function of salespeople in a company. The discussion then shifts to some of the current issues and difficulties that have a significant influence on the sales manager's job. Following that, we describe the tasks that sales management performs when dealing with the external and internal environments. At the end of each chapter, additional practice available that students may test their understanding before they continue to the next chapter.

Acknowledgement

This eBook could not have been published without the spirited comments and suggestions of our reviewers.

We want to thank everyone at Palitext Inc. Sultan Salimuddin Mohd Aziz Shah, who helped develop this eBook. Finally, we want to thank our husbands and children, for their help and encouragement.



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TABLE OF CONTENTS

PREFACE	01
ACKNOWLEDGEMENTS	02
LIST OF ABBREVIATIONS	03
TABLE OF CONTENTS	04
1.0 INTRODUCTION TO SALES MANAGEMENT	05
1.1 Learning outcomes	
1.1.1 Sales management definition	
1.1.2 The career of sales person	
1.1.3 The function of sales person	
1.2 Conclusion	
1.3 Assignment activity	
2.0 TYPES, PROBLEMS AND CHALLENGES IN SALES MANAGEMENT	10
2.1 Learning Outcomes	
2.2 Possible information based on sales problems and challenges in sales management	
2.2.1 The tasks and responsibilities of a sales manager	
2.2.2 The challenges faced by sales manager	
2.3 Assignment activity	
3.0 THE ENVIRONMENTAL FACTORS INFLUENCING SALES MANAGEMENT	19
3.1 Learning Outcomes	
3.2 Possible information based on the environmental factors influencing sales management	
3.2.1 The external environment	
3.2.2 The internal environment	
3.3 Assignment activity	
LIST OF REFERENCES	20
APPENDIX	21
GLOSSARY	22

TOPIC 1

OVERVIEW OF SALES MANAGEMENT

1.1 LEARNING OUTCOMES

The major part of each chapter comprises of learning outcomes that has been an ultimate achievement for each and every student who has this course in their curriculum. Therefore, at the end of this chapter, students should be able to:

Apply the elements of sales activities/sales management in the ever-changing marketing environment.

This learning outcome is built specifically to equip student with the knowledge and understanding of the foundation of sales management and eventually they should be able to apply all these knowledge that they have learnt when managing the sale in the real world of business. This learning outcome will encompass three major areas that are sales management definition, nature of the sales person as well as the functions of sales person.

1.1.1 SALES MANAGEMENT DEFINITION

Sales management is the process of effectively and efficiently planning, staffing, training, directing, and controlling organisational resources in order to fulfil an organisation's sales goals. Revenue, sales, and cash sources drive an organisation, and the administration of that process is the most important function.

The easiest approach to grasp what sales management entails is to describe how a business manages its salespeople via planning, directing, and managing them. Recruiting, equipping, assigning, motivating, monitoring, paying, and encouraging salespeople are all part of this process. It is all about human management with a lot of motivation/involvement to boost the commitment and enthusiasm of the sales person towards their job so that they can deliver their best to communicate about the product as well as to build the relationship with the customer.

1.1.3 CAREER OF THE SALES PERSON

The majority of individuals are aware of what sales persons do. They do not consider sales jobs as a possible career option while in school or at university. However, if you are more familiar with the scope of the sales industry, a sales person's work is interesting, challenging and exciting from time to time. Sales person is responsible for the transfer of ownership of products and services to the consumers. That will make them very important as the company rely on them to deliver a good service and help the company to increase the sales as well as exceed the target sales projection for each month. Furthermore, today's sales person supports the corporate motto: changing characteristics and creating more money for economic development.

The sales person's responsibility is to ensure that he or she knows the customer's demands and that the variety of items that he or she stocks falls within that category. In the direct channel, a salesperson contacts potential clients in order to inform them of a new product that the firm is introducing or a new deal that the consumers may not be aware of on the open market.

In summary it, a salesperson has a very honorable, demanding, gratifying, and professional job. Sales person make tangible contributions that steer their company forward and exceed expectations. Their input and function directly affect the company's growth, and their skills are hard to replace. Skills that need a lot of self trust and affection that carries the goodwill and image of the company that can be stored in people's mind forever. These set of skills are needed and that will keep the company sustain in the fierce world of business competition. In connection to that, the skills and functions of a sales person will be discussed as follows that are important to the growth of the company.

1.1.3 FUNCTIONS OF SALES PERSON

Sales person performs many functions:

(i) Attract new customers

We often hear of companies facing the problem of losing customers. This matter needs to be addressed immediately to prevent the company from facing a situation of decline in sales which they are not being able to retain existing customers as well as fill the vacancies of customers who switch to other companies. Therefore, the action of salespeople looking for prospects or getting the new customers to replace the lost customers can ultimately help to increase the company's sales and put them back on the track to fulfil their target.

(ii) Manage sales to existing customers efficiently

Sales results depend on the efficiency of salespeople selling to prospects without neglecting existing customers. Retention/loyalty from the existing customer is one of the success factors of the company to increase their sales monthly or annually. These loyal customers are engaged with the satisfaction feeling of having a good product along with a good relation that they have built with the sales people that represent the company.

(iii) Long term relationship with customers

Since the relationship is built, it has to be prolonged or in other words sustained as long as possible. In order to do that, trust is the ingredients. We or she must establish a pleasant and professional business connection with individuals and organisations through the trustworthiness of the salesperson and the product purchased. The major benefit is, the sales person will be able to sell additional items

to existing clients usually since the relationship has grown from time to time and managers maintain it as long as possible.

ix. Solve technical problems

Sales people are categorized as problem solvers when they can provide consultation or advice on problems faced by customers. This makes customers feel that the sales person is very helpful and therefore not to be disappointed and dissatisfied of themselves with the situation faced due to the technical problems related to the product that has been purchased or at the stage of making decision either the product will solve their problem or not. The satisfaction of the customer towards the brand or the company will increase with the help of the sales person and as the problem solves.

x. Provide services to customers

The salesperson provides a variety of services including resolving problems and complaints, replacing defective items that are still under warranty, providing samples sharing business opportunities, and suggesting to customers how to promote products purchased from the salesperson to others (in business market context). To summarize the above elements, sales person are multitasking people and these skills and functions shows that they are knowledgeable. The knowledge that the sales person acquired and showed will turn into values. When customers acknowledged these abilities, they will definitely being loyal customers and a long relationship will be formed because of the wide range of skills that the salesperson has.

xi. Help customers read products to their customers

Salespeople help customers who buy products at wholesale or in

back to their customers who buy products at retail. This situation applies in business market where the salespeople can help to educate those customers by giving their insight on how to sell the product to the end consumers. This situation will gain the confidence of the business customers to buy the product as they can see the success of their business ahead when they know all about the benefit of the product that they are going to buy and it makes easier for them to resell it to the end consumers later on.

ii. Help customers use the product after purchase

After sales service has always been crucial to the consumers. It happened once the product has been brought home by the customers. The feeling of joyfulness of having the product will be interrupted when the product has malfunctioned and the salesperson who is in charge is unreachable. Frustration and dissatisfaction will lead to dissatisfaction towards the product. Therefore, the salesperson's job is continued even after the sale has taken place. It is quite vital to ask or to tell the customer how to get the full benefits of the product that he or she has purchased will definitely be much appreciated by the customer who has spent some money to buy the product.

iii. Build goodwill with customers

Sales jobs involve humans, which requires face-to-face activities with customers or direct communication via using of social media platforms where they can communicate live as a tool of two ways communication in this modern era of networking and telecommunication. Salespeople must establish a personal, pleasant, and positive relationship with everybody who might influence a purchase decision where the potential customers and existing

customers could feel the sense of engaging to each other that will make a perfect goodwill relationship concerned and maintained as long as possible.

ix. Provides market information to companies

Salespeople provide information to their companies, such as customers' reactions to their new services or products, other activities that competitors had done, customer complaints about their products or policies, market opportunities, and their job activities. These are crucial to the company where competition is fierce and companies need to strive to constantly stand out among competitors with their unique assets through a highlighted competitive advantage of their products that is built based on such information gathered by the sales person.

1.5 CONCLUSION

It is important for a company to have a line of sales persons who have high skills to be able to perform all the stated functions successfully and efficiently. This also makes the sales person an important figure in the development of a company as the main element taken into account is the sales earned by a company where the sales person plays an important role in achieving the mission of this company.



ENRICHMENT ACTIVITY

OVERVIEW OF SALES MANAGEMENT

”

Success
seems to be
connected
with action.



1.3 ENRICHMENT ACTIVITY

Provide a match between statement in column ii to the situation in column i.

iii.	i.	ii.	Match iii.
1.	Build goodwill with customers.	Firm's decision to make a second purchase or product acquisition from the same company after being satisfied with a past experience greatly by the subsequence exchanged.	
2.	Provide services to customers	Manager often gives information on a regular basis related to the latest products released by the company in a very professional manner and can be well received by them.	
3.	Get new customers.	The company always holds events either in the form of free to have free or online to have or get feedback directly from potential customers or existing customers.	
4.	Help customers use the product after purchase	Customers or potential customers need training and supportive programs to get specific contributions from by customers in any situation.	
5.	Provide market information to companies.	Lee is a smaller subcompany in performing the duties and responsibilities given so that he has been named as the best subcompany by customers who concern the company's nature.	
6.	Manage sales to existing customers efficiently.	Using experience about the benefits that will be obtained when making acquisitions of products offered in bulk and at the same time explained about the advantages of the product clearly and then supply to facilitate retail sales.	
7.	Help to customer problems	Believe an expert purchases say, undoubtedly helps increase sales because the first purchase also plays an important role in contributing to the growth of the company's sales.	
8.	Help customers sell products to their customers	Consumer tastes are diverse and often changeable. Therefore, it is a must for companies to understand consumers or potential consumers in the market so that it can truly meet their wants and needs.	
9.	Long-term relationship with customers	Happiness or frustration by buyers is very critical for subcompany to know. This is because the feeling of satisfaction or dissatisfaction by the buyer leads to how to achieve success of a retail destination for a product in the market.	



TOPIC 2

**TASKS,
PROBLEMS &
CHALLENGES**
IN SALES MANAGEMENT

2.1 LEARNING OUTCOMES

The major part of each chapter comprises of learning outcomes that has been an ultimate achievement for each and every student who has this course in their curriculum. Therefore, at the end of this chapter, students should be able to:

Apply the elements of sales and sales force management in the ever-changing marketing environment.

The learning outcome is built specifically to equip student with the knowledge and understanding of the tasks, responsibilities, problems and challenges that sales managers have to face in sales management.

2.2 INFORMATION ON TASK AND RESPONSIBILITIES IN SALES MANAGEMENT

2.2.1 THE TASKS AND RESPONSIBILITIES OF A SALES MANAGER

A sales manager has a wide range of tasks and responsibilities. Generally, these tasks are:

a) Developing an Effective Sales Program

The main task of the sales manager is to develop an effective sales program to achieve the company's sales objectives and goals. The tasks and responsibilities related to developing a sales program are:

i. Set short- and long-term sales objectives

The manager also collaborates with other marketing professionals to determine the company's sales, profit, growth, and market share goals.

All these short term and long term goals are a necessity for all members of the sales team as a motivation that allows them to do the job well and diligently because they have a clear goal and measurable achievement.

(i) Develop comprehensive sales programs.

A thorough sales programme may help the firm not only strengthen its competitive position, and meet its sales target.

A comprehensive and detailed program will give a good impact and contribute to the strengthening of the company's position in the industry.

(ii) Review and approve sales strategies, sales policies, and pricing policies.

The sales manager must review and approve sales strategies, sales policies, and pricing policies to ensure that all products that are short term operations are following long term profitability and not jeopardizing other phases of the company's operations.

(j) Establishing an Effective Plan for the Organization

A sales manager establishes an effective plan of organization and chooses ways or means within the sales target. Besides, the support and control must follow the activities of sales organization members so that they have enough time to carry out their responsibilities.

Other measures to undertake include leading members of the sales organization, encouraging self-improvement, and

giving rewards/recognitions with their responsibilities and performance.

a) Managing Sales Force

A sales manager is in charge of overseeing the whole sales force in order to create a team of successful salespeople. He performs the following to achieve this:

- i. Identifies and develops criteria for hiring new salespeople.
- ii. Provides training and development to previous sales workers in order to improve sales abilities and further equip/prepare them for advancement.
- iii. Ensures that there is a sufficient supply of sales executives and competent salespeople to replace those who leave.
- iv. Inspires salespeople to achieve higher levels of achievement.
- v. Creates a sales-tracking system to ensure that your sales efforts are optimized.

b) Building and Maintaining Effective Working Relationships

A sales manager's primary responsibility is to establish and maintain successful working relationships with a variety of stakeholders. The parties are:

i) Head of Department and Management

Sales development may be realized by various programs, courses, or skills through effective connections with department heads and management.

i. Buyer

Long-term buyer connections ensure long-term business, which is critical for the company's success.

iii. Company that hire people

Salespeople can be found through recruitment firms. This indicates that the recruitment firm is a source of salesmen. The effective relationship guarantees that sales managers have a steady supply of potential sales executives.

ii) Establishing an Effective Communication System

Good communication facilitates the delivery of information. An effective information gives a big impact in the activity of buying and selling goods because when an information conveyed to buyers, then potential buyers will be easy to decide to accept the purchase because the information received can motivate them.

For the following reasons, a sales manager creates a solid communication system in order:

- i. to provide management with information on sales results and plans
- ii. to keep salespeople up to date on departmental sales goals, results, and issues.
- iii. to keep the sales manager up to date on his salespeople's requirements and issues.

4) Controlling/Control

Controlling is a crucial element of a sales manager's job. Effective controls may assist in lowering total expenses and increasing profitability.

i. Production

The sales manager interacts with the production manager to ensure that production rates and stocks are as close to the real sales demands as feasible.

ii. Budgeting

Sales managers review and approve sales and expenditures budgets. All sales efforts are measured on a regular basis in relation to sales and budget targets, so that appropriate actions may be taken as needed.

iii. Authority

The authority of a sales manager is delegated to others. In order to properly manage his time, he also gives his sales crew with control records and performance criteria. A sales manager delegates his authority to other personnel. He also provides control records and performance standards for his sales staff to effectively manage his time.

3.2.2 DESCRIPTION ON PROBLEMS AND CHALLENGES FACED BY SALES MANAGERS

Sales management problems exist in almost all companies, those selling tangible and non-tangible products and even in firms which do not employ sales personnel.

The problems and challenges faced by a sales manager stem from his duties and responsibilities.

a) Developing Effective Sales Programs

Problems:

Sales managers sometimes involved in making decisions on products, distribution, and marketing channels policies, information and promotion, and also pricing. Product policies (what kind of new products to sell) and distribution policies (the company has to decide which manufacturer, how to do packaging until the product reaches the final transport stage, to guarantee that it reaches the most appropriate channels and places of sale and that it does so within the scheduled launch and product replenishment periods.

Challenges:

Salespeople's problems include persuading prospects to accept the terms and the pricing offered. The sales manager is responsible for informing and training the salespeople so that to perform these duties.

b) Establishing Effective Field Organisation

Problems:

As a business expands, so does its salesforce organisation. This might have a number of consequences for the sales department. Tasks get more difficult, activities become more complicated, marketing channels become longer, and geographical areas become larger. As a result, the connection between a sales manager and his or her salespeople is strained, as are the ties between the sales manager and his or her salespeople with their customers (buyers) are also weakened. Sales organisation should be adjusted to fit according to needs and situations. Failure to do so will result in unnecessary activities, duplication of efforts and lack of cooperation among members of the sales organisation.

Challenges:

As a result, sales managers must conduct the issue of restructuring the sales organisation and salesperson division in order to achieve specialisation. Delegating particular duties to the salespeople involved empowers them to serve specific customers.

c) Managing Sales Force

Problems:

Sales force management involves activities such as recruiting, selecting, training, evaluating, compensating, monitoring sales meeting and supervising. Higher costs will arise if salespeople are not recruited, selected, and trained

properly and efficiently. This is due to the fact that inefficient salespeople cost the business money.

The company has its competitors there despite their lower sales, higher traveling costs and inefficient distribution of working time. The company then needs to spend on training, motivating these sales personnel.

Challenges:

The sales manager's challenges would be to manage the sales force efficiently in the long run, choosing and implementing successful recruiting and training programmes, as well as choosing and implementing clearly defined sales methods, allocating the proper sales staff to specified regions, establishing systematic route plans and time schedules for sales.

d) Building and Maintaining Effective Working Relationship

Both internal and external relationships are important to the sales manager.

Internal

Not all companies have their own public relations department or officers. For those companies, the sales manager must take an additional task to his public relations practitioners. These responsibilities are given to him due to the nature of his job as the contact person between the buyers and the company.

Sales department must also work harmoniously with other departments in order to achieve company goals. They should

know the operations and problems of other departments and how other departments affect them and are influenced by them. It is therefore a challenge by creating an effective communication system, the sales manager may develop a good connection with all other departments in the firm.

External

A company must establish good relationships with six major public groups. These groups include buyers, industry and trade associations, government agencies, educational organisations and the press. For example, maintaining excellent Public Relations and developing abilities in handling press relations would be challenging for the sales manager. Other than that, a sales manager would be adopting an open policy with other representatives and establishing and maintaining a positive.

4) Developing and Sustaining Productive Working Relationships

Problems:

The sales manager is in charge of establishing and managing the company's visible and effective distribution network. Buyers rely on the sales manager for the efficient supply of products they purchase. It is important for the sales manager to build good relationships with each public group by providing prompt sales service and organising appropriate activities.

Challenges:

For example, challenges for the sales manager in handling the press includes:

- (a) maintaining good publicity
- (b) developing skills in handling press relations
- (c) adopting an open policy with other representatives
- (d) building and maintaining a good image.

f) Forecasting demand

Problems:

Forecasting is important to the sales manager in achieving the sales objectives. Setting a sales budget, sales quotas, and sales territories, as well as cost analysis, are all part of controlling sales activity. A sales budget is used to determine the sales volume to be sold. From the sales volume, a sales manager may be able to identify the kind of sales personnel required and the size or the number of sales personnel needed. Sales personnel must identify precise details on the quantity to be sold and the chances of customers to buy the products offered. Quota is often used as a device to evaluate performance of sales personnel.

Challenges:

Part of the sales manager's job is setting the sales quota for the company. The challenges faced by the sales manager would be to decide on the sales quantity. The quota set should be able to stimulate sales and not too high for the sales personnel to achieve and to motivate the sales personnel to achieve the quota.

ENRICHMENT ACTIVITY

TASKS, PROBLEMS & CHALLENGES IN SALES MANAGEMENT

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Success is not final, failure is not fatal; it is the courage to continue that counts.



3.3 ENRICHMENT ACTIVITY

SELF-ASSESSMENT

As a senior sales manager, you are close to achieving your goals.

write from a

Provide information on the development of effective sales programs in terms of problems and challenges faced by you.

write from a

1. Discuss how economic affects sales management.
2. Explain how a sales manager's tasks and responsibilities connect to a sales program.
3. How do legislative changes impact sales activities?



TOPIC 3
ENVIRONMENTAL
FACTORS
INFLUENCE
ON SELLING
SUCCESS

3.1 LEARNING OUTCOME

The major part of each chapter comprises of learning outcomes that facilitate an ultimate achievement for each and every student who has this course in their curriculum. Therefore, at the end of this chapter, students should be able to:

Demonstrate the ability to be responsible as a leader or contribute as a member of a team to facilitate success in the sales area.

This learning outcome is built specifically to equip student with leader characteristics through the elements in sales management. It encompasses the external and internal factors that influenced the selling success.

3.2 ENVIRONMENTAL FACTORS INFLUENCE ON SELLING

Changes in the environment should keep sales managers on their toes. They must always be sensitive to any changes in the environment because if there is no quick action taken to adapt to the situation, it is feared that it will affect sales and subsequently the company's profits.

3.2.1 SIX KEY ELEMENTS IN THE EXTERNAL ENVIRONMENT

A sales manager must keep an eye on six key elements in the external environment. These key elements can influence the selling atmosphere. They can either contribute to the increase or decrease of the selling numbers of the products.

a) Economics

Purchasing power of consumers depends on savings, current income, prices, debts and credit availability. Changes in the above factors affect demand patterns in the market. For instance, an increase in population income may give rise to higher demand for certain products. Thus a sales manager must

takes into account changes in the above factors when preparing a sales forecast.

ii) Political/legal issues

Laws, government agencies, and pressure groups all affect and constrain diverse organisations and people in the political/legal environment. Selling regulations imposed by the government may have an impact on a company's sales strategy. The three major goals of business legislation are:

- i. to safeguard customers from unfair business practices,
- ii. to safeguard corporations from unfair competition,
- iii. to safeguard society's interests from uncontrolled commercial behaviour.

Sellingpeople must be well versed in the law laws that safeguard competition, customers, and society. It is important for all members in the sales team to avoid situations involving the law because it can cause losses to the company, especially in terms of the company's image which will have a direct impact in terms of the company's sales target since the public has a negative image towards the company.

iii) Technological Environment

Technological advancements have a variety of effects on people's lives. For example, when the telecommunications sector expands, customers will be able to make purchases through the internet. Sellingpeople's status and prominence may be diminished as a result of this. Sales managers must figure out how to generate a need for sellingpeople when customer buying/needs.

With the development of the Internet, the opportunity for clients to both find you and leave you in favour of your competitors is substantial. It's no longer the case that companies operate in a regulated and non-competitive market. The barriers preventing consumer from switching between companies are so low that a single unsatisfied customer slip up is often enough to lose them for good.

As a result, businesses must adapt to shifting technical trends, such as the fast advancement of technology, innovation changes, and increased regulation. Businesses that wish to utilize technology to improve customer service quality should focus on the following according to Horvath, a technology consulting firm:

1. Data management and analysis: analyzing consumer preferences using data obtained from them.
2. Marketing that is based on data: Using customer data to gain insights into your organization so you can target marketing more successfully.
3. Automated marketing: Streamlining and automating company operations in order to increase productivity while lowering expenses.
4. Optimization of self-service: Creating opportunities for clients to interact with your company whenever they want.

Salespeople may now use the newest software and imaging systems to produce better and more successful sales presentations and deliver thanks to developments in information technology in the telecom sector.

a) Socio-Cultural Environment

Values, beliefs, and norms can shape a person's behaviour. Different social classes have different cultural values. The salesperson must ensure that the sales techniques used do not conflict with the cultural values in the customer's market. For example, the lower classes prefer to buy products at lower or more affordable prices. So the salesperson has to offer the product at a lower price or purchase in instalments method.

a) Competition

This competition includes all real and potential competitor offers and substitutes that the buyer may consider. Competition exists at many levels – broadly, industry, and firm. A sales manager should analyse the level at which he or she competes and develop sales tactics depending on the particular level. For example, a salesperson who sells a Mercedes-Benz car may emphasise quality and status and not see himself competing with other salespeople who sell Proton cars. A sales manager who develops sales policies and strategies for a company must also analyse the strategies applied by its competitors in order to remain competitive.

ii) Natural Environment

Natural forces manufacture a large number of goods. Natural resources such as tomatoes and floods raise demand for construction materials and other items. Floods in India have increased the price of onions, whereas the Tsunami in Japan has reduced the price of automobiles and so on.

In the creation of a relationship sales strategy, the natural environment is a crucial factor. It provides all of the raw materials and energy resources required to manufacture, package, advertise, and distribute goods.

Companies in a variety of sectors, including cement, steel, aluminium, wood, plastics, and synthetic fibres, have experienced resource and energy shortages on a regular basis since the 1970s.

3.1.3 THE KEY FACTORS IN THE INTERNAL ENVIRONMENT

These are its key factors in the internal environment that need to be monitored and managed by sales managers.

a) The Goals, Objectives, and Culture of the Firm

Customer relationship management begins with senior management defining the company's goal and objectives, working in a customer-centric organisation. If the organisation's goal and objectives change, initiatives to enhance customer interactions should alter as well.

The formation of a strong corporate culture is aided by a defined vision that is guided by senior management's values and beliefs. Employees' attitudes and behaviours are shaped by such a culture, which also influences salespeople's and managers' goals, roles, and processes.

h) Financial Resources

Many facets of a company's customer engagement objectives are influenced by its financial status. Budget constraints can limit a company's capacity to produce more value-added goods, as well as its promotional and sales force expenditures.

Procter's activities in taking various measures, such as merging with larger companies, in order to gain the necessary financial resources are often required in order to fulfil their full market potential. For example, Procter & Gamble's 1998 purchase of Gillette in the highly competitive consumer health goods industry allowed Procter & Gamble to enter the lucrative razor market quickly while leveraging Gillette through Procter.

i) Human Resources

Modern sales organisations, like their client firms, are highly complex and dynamic organisations. A large number of individuals in many sales companies, as well as the several critical success criteria necessary for relationship sales, make relationship sales a difficult task.

It takes a long time to recruit and train a highly trained sales staff. It's tough to rapidly expand a sales staff in order to capitalise on a new product or a rising market. Firms are often forced to compensate for a lack of competent personnel by engaging outside agencies or outside expertise located there or in neighbouring countries.

Most companies appoint distributors when entering new markets, especially international markets, because leveraging a well-established and experienced sales force familiar with other cultures can speed up the process of entering foreign markets.

d) Research, Development, and Technological Capabilities

Organisational technology and engineering knowledge is a key element in deciding whether a company will be a market leader or a follower when it comes to producing value added goods and offering high-quality services.

Customers are drawn to innovators and industry leaders; thus engineering and design excellence may be a significant promotional appeal in a company's marketing and sales initiatives.

Technology may convey R&D and technological expertise to customers as a significant value added component of the firm and its goods when organisations make big expenditures in technology, especially technologies that can assist fulfil relationship sales targets.

a) Service Capability

Throughout the relationship sales process, the capacity of the sales organization to offer a consistently high level of service is a key source of added value.

Companies that must be dedicated to delivering excellent service have a significant competitive edge in the market, making it difficult for both to:

- (a) other businesses vying for the same clients;
- (b) consumers will shop around for a better deal, even if competitors offer a lower price.

b) Production Capacity and Supply Chain

Customer sales initiatives may be influenced by a company's production capacity, the technology and equipment available in its factories, and even the location of its manufacturing facilities. Companies may be forced from extending their production lines or expanding into new geographies if they lack the ability to meet growing demand or if transportation costs make product pricing uncompetitive.

Walmart sellers must be able to satisfy orders within 24 hours and deliver products to a Walmart warehouse within a two-hour appointment period. Every dollar of margin lost by these incompetent suppliers goes to Walmart.

ENRICHMENT ACTIVITY

ENVIRONMENTAL FACTORS INFLUENCE ON SELLING SUCCESS

”

Success is
not a good
teacher,
failure
makes you
humble.



3.2 ENRICHMENT ACTIVITY

INSTRUCTION: Answer all questions.

question 1

Write (E) for external factor and (I) for internal environmental factor that influencing selling success.

No.	Internal/External/Environment Factors	(E)
1	Research & Dev. & Tech capabilities	
2	Technological	
3	Business culture	
4	Business capabilities	
5	Human resources	
6	Financial resources	
7	Inventory	
8	Firm's goals, objectives and culture	
9	Legal/political	
10	Production & supply chain capabilities	

question 2

Do macro environmental influences have a significant impact on every company's marketing system, although they are typically outside management's control.

What are the problems that sales managers confront as a result of the growth of computer technology?

BANK OF QUESTIONS



QUESTION 4: TRUE/FALSE questions, indicate whether the statement is true

- i. Today most salesperson are well-educated, well-trained professionals who work to build and maintain long-term customer relationships by listening to their customers, assessing their needs, and supporting the company's efforts to solve customer problems.

Answer: TRUE/FALSE

- ii. A salesperson is an individual acting on behalf of a company who performs one or more of the following activities: prospecting, communicating, servicing, and information gathering.

Answer: TRUE/FALSE

- iii. To be a successful salesperson, a salesperson must have to sell, build customer confidence, salespeople need to be thoroughly knowledgeable in all aspects of their business.

Answer: TRUE/FALSE

- iv. Customer satisfaction is one of the results of ethical behavior.

Answer: TRUE/FALSE

- v. Many selling skills cannot be learned from a textbook, but must be developed through practice.

Answer: TRUE/FALSE

- vi. Keeping an old customer is much harder than finding a new one.

Answer: TRUE/FALSE

7. Successful salespeople can avoid providing services to customers if they present a nice guy image.

Answer: TRUE/FALSE

8. Advertising is one of the elements in promotion mix that involves making personal connections with customers for the purpose of making sales.

Answer: TRUE/FALSE

9. Advertising involves two-way personal communication between salespeople and individual customer, either in person, or through web conferences.

Answer: TRUE/FALSE

10. Recruitment companies are sources of sales personnel. Effective relationship ensures a good supply of potential sales executives to the sales manager.

Answer: TRUE/FALSE



ANSWERS

ENRICHMENT ACTIVITY ANSWERS

TOPIC 1

(No.)	A	B	Mark (No.)
1.	Build goodwill with customers.	A retailer decides to make a second purchase on product accessories from the same company after having satisfied with equal explanation given by the salesperson in charge.	1
2.	Provide services to customers	Theresa is often given information on a regular basis related to the latest products, allowing the company in a very professional manner and not be self-servicing Theresa.	1
3.	Serve customers	The company always holds events either in the form of fairs or home shows or online to listen or get feedback directly from potential customers or existing customers.	1
4.	Help customers use the product after purchase	Customers or potential customers must create any and responsive answers to any questions or difficulties faced by customers in any situation.	2
5.	Provides market information to companies	Lee is a sensible salesperson in performing the duties and responsibilities given to him. He has been named as the best salesperson by customers who come to the company's office.	1
6.	Manage sales to existing customers efficiently	Toby explained about the benefits that will be obtained when making a purchase of products offered inside and at the same time explained about the advantages of the products clearly and thoroughly to build his retail sales.	1
7.	Reduce no customer problems	Believe or repeat purchases can undoubtedly help increase sales to meet the first purchase always play an important role in contributing to the growth of the company's sales.	1
8.	Help customers realize products to their customers	Customers make purchases and often changeable. Therefore, it is a must for companies to understand consumers or potential customers in the market so that it can truly meet their wants and needs.	1
9.	Long-term relationship with customers	Happiness or frustration happens is very similar to relationships in love. This is because the feeling of satisfaction or otherwise felt by the buyer can be a tool to achieve success or a tool of destruction for a product in the market.	1

QUESTION 1

The challenges:

Salespeople must persuade customers to accept the items and the price given, and the sales manager must teach salespeople to carry out the job.

The problem:

Sales managers are sometimes involved in product development, marketing channels, distribution policies, promotions, and price choices. Pricing policies are one of the company's sales that have a direct influence on how tough it is to make sales. Developing price sales is one of the most challenging things that sales managers and salespeople confront.

QUESTION 2

- i. Consumer purchasing power is influenced by their savings, current income, pricing, debt, and access to credit. Changes in economic variables have an impact on market demand patterns. An increase in population income, for example, may lead to increased demand for specific items. When developing a sales forecast, a sales manager must account for changes in economic conditions.
- ii. A sales manager's duties and responsibilities in connection to the sales program include:
 - a) Setting the company's short and long-term sales objectives.
 - b) Creating specific sales programs for the firm in order to cut costs, improve the company's competitive position, and achieve established goals.
 - c) Evaluating and approving all product sales policies, sales tactics, and pricing policies to ensure that short-term operations are in line with long-term objectives. Profitability without jeopardizing other aspects of the business.
- iii. Sales managers must be well-versed in the major laws that safeguard competition, customers, and society.

question 1

- | | |
|------|-------|
| 1. A | 6. D |
| 2. B | 7. B |
| 3. B | 8. D |
| 4. D | 9. B |
| 5. D | 10. D |

question 2

Advances in computer technology enable salespeople to create better and more successful sales presentations by utilizing the most up-to-date software and imagery technologies. Sales people have to work smart and find ways to create the need for their purchasing product.

Technology can make easier for businesses to provide customer service; they may also be increasing the number of channels through which salespeople can interact with their customers.

1. Data management and analytics: Analyzing consumer preferences using data obtained from them.
2. Marketing that is location data: Using customer data to gain insights into your organization so you can target marketing more successfully.
3. Automated marketing: Streamlining and automating company operations in order to increase productivity while lowering expenses.
4. Optimization of salesperson: Creating opportunities for clients to interact with your company whenever they want.

ANSWERS TO TEST QUESTIONS

- | | |
|------|-------|
| 1. T | 6. T |
| 2. T | 7. F |
| 3. T | 8. F |
| 4. T | 9. F |
| 5. T | 10. T |



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