UNIT V

The huge amount of capital invested, the giant plant and machinery installed, the huge quantities of raw materials purchased and the large labour force employed to carry on production on a large-scale will be meaningless unless the products of the factory are sold and a reasonable profit is realized there from. Sales are the main source of revenue or income for a business to meet all its expenses and to have a reasonable return on investment. So, the success of a business depends on sales. In short, sales are the life-blood of a business.

It is true that sales are the life-blood of a business, and the success of a business is dependent on effective selling. But effective selling in these days is not an easy task. Selling has become a difficult task these days for the following reasons:

1. In the pre-industrial revolution days, goods were produced on a small scale. So, selling was not a problem. But in the post industrial revolution days, the size and the technique of production has considerably changed. Goods are being produced on a large or mass scale. This large-scale or mass production has made effective selling difficult.

2. In these days, goods are produced in anticipation of demand. That is, goods are produced first, and then, markets are explored and demand is created. This makes the task of selling very difficult.

3. In the past, goods were produced to meet just local demand. But, today, goods are produced on such a large scale that they cannot be absorbed by the local markets alone. That means, there is the need for the sale of goods not only in the local markets, but also in the national and international markets. This factor also has made selling difficult.

4. Today, similar goods are produced by various concerns. As a result, there is severe competition among the producers to capture more and more markets. This cut-throat competition has made selling difficult and costly.

Thus, several factors have made selling a difficult task these days, and forced the manufacturers and dealers to adopt a number of techniques to promote their sales. One of the techniques adopted by them to increase their sales is salesmanship.

Meaning and definition of Salesmanship

Salesmanship has been defined in different ways by different writers. In the words of Pederson and Wright, "Salesmanship is the process whereby the seller ascertains and activates the needs or wants of the buyer and satisfies these needs or wants to the mutual continuous advantage of both the buyer and the seller." According to Whitehead, "Salesmanship is the art of so presenting an offer that the prospect appreciates the need for it and that a mutually satisfactory sales follows." According to Paul W. Ivey, "Salesmanship is the art of persuading the people to purchase goods which will give off lasting satisfaction, by using methods consuming the least time and effort." In the words of J.S. Knox, "Salesmanship is the power or ability to influence people to buy at a mutual profit that which we have to sell but which they may not have thought of buying until we called their attention to it." H.P. Holtzelaw defines salesmanship as "the power to persuade plenty of people to pleasurably and permanently purchase your product at a profit". In the words of Garfield Blake, "Salesmanship consists of winning buyer's confidence for the seller's house and goods, thereby winning regular and permanent customers." According to Stephenson, "Salesmanship refers to conscious efforts on the part of the seller to induce a prospective buyer to purchase something that he had not really decided to buy even if he had thought of it favourably." In the words of Herbert N. Casson, "Salesmanship is the art of understanding, appreciating and influencing other people for mutual benefit". According to the National Association of Marketing Teachers of America, "Salesmanship is the ability to persuade people to buy goods or service at a profit to the seller and with benefit to the buyer."

From these definitions, it is clear that salesmanship is not just the handing over of goods to the customers and taking the money from them. Again, it is not just an art of influencing, persuading or inducing the consumers to buy goods. True salesmanship is not only an art of inducing the consumers to buy goods, but also an art of helping the consumers to buy what they need. In short, salesmanship is the process of persuading and assisting a prospective customer to buy a commodity or service. It is a mutually helpful device, i.e., a device to serve the interests of both the seller and the buyer.

Features or characteristics of Salesmanship

Salesmanship has several characteristic features. The main features of salesmanship are:

1. Salesmanship or personal selling is the oldest form of selling.
2. It is the most important form of selling.
3. It is the art of selling a product or service. But it is not selling a product or service at any cost. It is selling a product or service by presenting the product to the prospects in a convincing and persuasive manner that the prospect is induced to buy.
4. Persuasion is the corner – stone or soul of salesmanship. "Salesmanship is an attempt to induce people to buy goods." (W.G. Carter).
5. Service forms the basis of salesmanship. The idea of service to the buyer is the keynote of salesmanship. "It is an art of helping people to buy intelligently." (W.G. Strathern). A salesman serves the customer by helping him in the wise selection of goods that satisfies his needs most.
6. Salesmanship is a mutually helpful service. It helps the seller to get reasonable profit and the buyer to get adequate satisfaction.
7. As all buy goods as a means to an end, salesmanship involves in discovering the buyer's aim or motive and

emphasizing how the goods would assist him in attaining his aim. This is the fundamental principle of salesmanship.

8. It involves direct and personal contact with the buyers.
9. It is a creative art. It creates wants anew (i.e., new wants). The need might be existing. But it is the job of a salesman to transform the needs into wants.
10. To be very effective, as in the case of advertising, salesmanship also has to be carried on continuously to perpetuate the demand created once.
11. Salesmanship basically aims at selling a product. But underlying that, there is the selling of an idea or one's point of view. For instance, salesmanship, in the case of a paints manufacturing concern, is not just the sale of paints, but the sales of an idea, the idea of beauty or durability.
12. It is an educative process. It educates the people about their needs and their satisfaction. It provides information about the products, their special features and their utility.
13. It is all-pervasive (i.e., everybody is selling something or the other). For instance when a businessman undertakes salesmanship, he is selling goods. When a politician puts his view point, he is selling an idea. When a religious preacher preaches his philosophy, he is selling his idea.

Kinds or Types of Salesmanship

There are three types of salesmanship. They are:

1. Order-taking salesmanship, demand-filling salesmanship or counter salesmanship.
2. Creative salesmanship.
3. Competitive salesmanship.

1. Order-taking Salesmanship, Demand-filling Salesmanship or Counter Salesmanship:

Order taking salesmanship is just concerned with the execution of the order of the buyer. In other words, it is just concerned with the passing on of the ownership of the goods to the buyer in

exchange for money. Order-taking salesmanship does not require any skill or practice on the part of the salesman. In fact, it is not salesmanship in the true sense. **Counter salesman** is a salesman who sells products and services directly to the public.

2. Creative Salesmanship

Creative salesmanship is that type of salesmanship which creates markets for a new product and / or creates new markets for an existing product. Creative salesmanship is a challenging and difficult task. It requires creative thinking, imagination, skill and tact on the part of the salesmen. This type of salesmanship is indispensible in the sales of products, such as refrigerators, washing machines, fashion goods, insurance and banking services, etc. In fact, modern salesmanship is creative salesmanship.

3. Competitive Salesmanship

Competitive salesmanship is that type of salesmanship which is concerned with the surpassing of the sales of the rivals through better selling techniques. It seeks to expand the markets for a product by capturing the markets of the rivals. This type of salesmanship has become necessary because of the keen competition in the business world. It is really a tough job. It requires a thorough knowledge of everything on the part of the salesmen.

Importance or Benefits or Advantages of Salesmanship

Salesmanship is of utmost importance in the modern business world. It is the lubricating oil for the wheels of business. It is helpful or advantageous to the producers, distributors, the customers, the community and the salesmen. Its benefits or advantages to the various sections of the society are:

1. Advantages of Salesmanship to the Producers:

The benefits of salesmanship to the producers are:

1. It creates demand for the new products introduced by the producers.
2. It maintains the demand for the existing products.

3. It extends the demand for the existing products.
4. It builds up, for the producers, satisfied customers, and thereby secures permanent customers for the producers.
5. It builds up goodwill or reputation for the producers.
6. It contributes to large-scale distribution and thereby encourages large-scale production.
7. By contributing to mass production, salesmanship has helped to bring down the cost of production per unit.
8. By encouraging sales, salesmanship has helped to bring down the marketing costs per unit.
9. It increases the stock turnover rate of the producers and thereby eliminates or minimizes the risks or chances of economic stagnation.
10. It acts as "the eyes and ears of the manufacturers." That is, it makes a study of the tastes, likes and needs of the customers, brings these things as well as the suggestions, complaints and opinions of the customers to the notice of the producers and enables the producers to improve their production or adjust their production according to the needs of the consumers.
11. It completes the task of demand creation set in motion by advertising. In other words, it supplements advertising in the task of demand creation.
12. It gives personal touch to the impersonal appeal made by the producers through advertising.

2. Advantages of Salesmanship to the Distributors:

The important benefits of salesmanship to the distributors are:

1. It brings to the notice of the distributors the new products introduced into the market by the producer.

2. It creates demand for the goods dealt in by the distributors.
3. It makes the work of distribution of goods easy for the distributors.
4. It helps in the quick disposal of goods by the distributors and thereby increases the rate of stock turnover.
5. It also brings to the notice of the distributors the suggestions, opinions and the criticisms of the consumers and thereby enables the distributors to adjust their business and sales policies according to the requirements of the consumers.

3. Advantages of Salesmanship to the Consumers:

The main benefits of salesmanship to the consumers are:

1. It brings to the notice of the consumers the new products placed in the market by the producer. The information about the existence of goods to satisfy the needs of the consumers is of immense help to the consumers. In the words of Stephenson, "If it were not for the activity of the seller in bringing to the attention of the buyer knowledge of new products that will meet his needs, the consumers might go on for an indefinite length of time in ignorance of the existence of such goods."
2. It educates the customers by informing them the new products, their features, their uses and how they should be used.
3. It helps the consumers in selecting the goods best suited to their requirements, tastes and purse, as true salesmanship implies helping the consumers in buying what they really require.
4. It helps the consumers to consume goods of diverse makes and qualities.
5. By encouraging mass distribution and mass production and bringing about reduction in cost of production and marketing, it contributes to reduction in the selling prices of goods, which is of immense help to the consumers.

6. It ensures that the consumers get full worth of the money which they spend on the products.
7. It also assures after-sales services to the customers in the case of products like refrigerators, radios, type-writers, etc.

4. Advantages of salesmanship to the society or community:

The main benefits of salesmanship to the society are:

1. It helps in increasing the supply of goods to the society.
2. By contributing to increase in sales and production, it brings about increase in the level of employment and higher income to the society. Further, salesmanship itself directly absorbs a large number of people.
3. It creates demand for articles of comfort and luxury and thereby raises the standard of living of the society.
4. It helps to maintain equilibrium between the demand and supply of a product and thereby reduces the fluctuations in the prices and maintains the stability of prices.

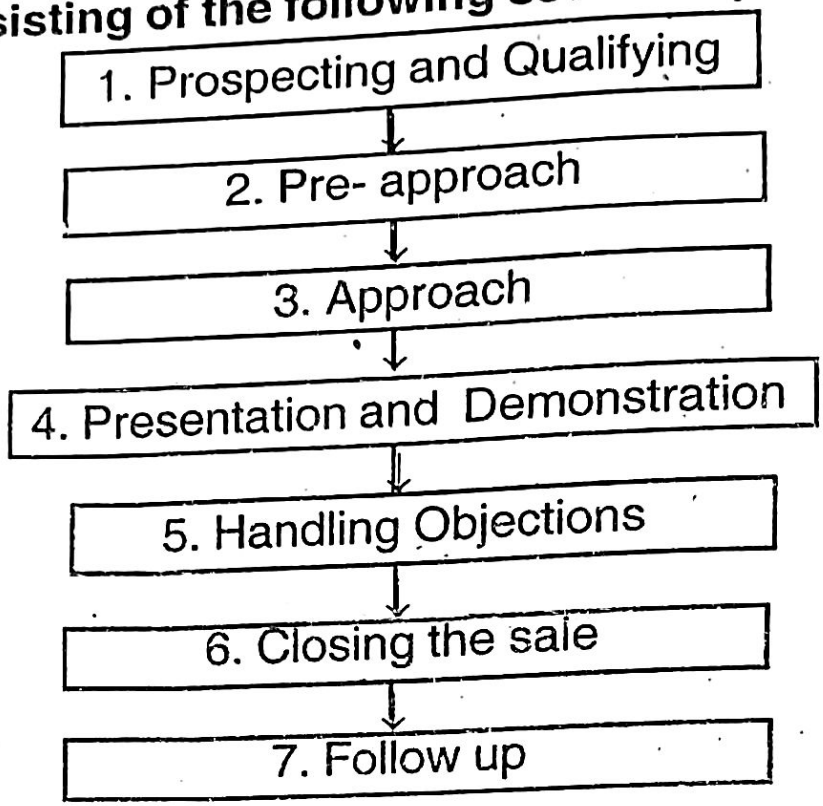
5. Advantages of salesmanship to the salesmen:

The main benefits of salesmanship to the salesmen are:

1. It offers a lucrative (i.e., profitable) career to smart and ambitious young men and women.
2. It provides to salesmen the opportunity of learning business methods and products. This knowledge will be helpful to them in setting up their own business.
3. Salesmen have the advantage of acquaintance with men of influence. This acquaintance helps the salesmen to better their prospects in life.
4. Travelling salesmen have the opportunity of visiting a number of places during the course of their work.
5. Salesmen have the satisfaction of helping the sellers to get reasonable profit on their sales and the consumers the goods which they really need.

Steps in Selling Process

In selling, the sales person normally follows a selling process consisting of the following seven steps:



1. Prospecting and Qualifying

Prospecting is the process of identifying prospects or potential buyers and eliminating non-prospects. Success in selling depends on approaching the right potential buyers. The sales person may have to approach many prospects to get just a few sales. The sales person may get some leads from the company or dealers, but should have the skill to identify the prospects on his own. He should also know how to qualify the leads, i.e., identifying the good ones and screening out the unwanted ones. Qualifying the prospects can be done by studying their financial background, volume of business, special needs, location and scope for growth.

Identifying the prospect

Some of the most frequently used methods to identify the prospects are:

- References
- Cold calls
- Centre of influence method

- Personal observation method
- Direct mail or telephone method
- Company's records
- Newspapers
- Retailers
- Others – trade fairs and exhibitions

2. Pre-approach

The sales person has to do his home work before meeting the prospects. He should learn as much as possible about the organization and its buyers, as a pre-approach. Information could be gathered from industry sources, acquaintances, and from websites. Call objectives have to be finalized, the best approach decided and the best timing considered. A tailor-made sales strategy should be prepared for each prospect.

3. Approach

The sales person should know how to meet and greet the buyer appropriately and get the relationship off to a good start. His appearance, opening lines of conversation and the follow up remarks are important in this step. Listening to the customer is crucial here, as is in all stages of the selling process.

4. Presentation and Demonstration

Next, the sales person presents the product to the buyer through the 'product story', explaining its attributes, customer benefits and how the product could solve the customer's problems. This need-satisfaction approach requires excellent listening and problem-solving skills. The qualities buyers value most in sales people include empathy, good listening, honesty, dependability, thoroughness, and follow up support service.

5. Handling Objections

Objections are obstacles in the selling process. Customers often come up with objections during the sales presentations, or when requested to place the order. Objections could be logical or psychological and may often the unspoken. The sales person

should handle objections with a positive approach, seek out hidden objections, ask for clarifications, and convert the objections into opportunities to explain more about the product and its benefits, and turn objections into reasons for buying. This requires training and practice.

6. Closing the Sale

Once the objections are handled properly, the sales person tries to persuade the prospect to take the buying decision, i.e., closing the sale. Some experienced and skilled sales persons do this well. Others do not handle this well or may not even get around to closing stage. Sales persons should know how to recognize closing signals from the buyer, which includes body language (physical actions), comments and questions. The sales person can ask for the order, summarise points of agreement, offer to help to write the purchase order, ask whether the buyer wants this model or that one, etc.

7. Follow Up

The final step is following up actions, to ensure customer satisfaction, relationship building and repeat business. The sales person should follow up the sales and ensure that there is proper installation, instruction on usage and servicing arrangements. Such follow up actions would reveal any problems, assure the customer of the sales person's interest, and reduce any dissonance that might have arisen in the buyer's mind, after the purchase.

These steps in the selling process help the sales persons to close a specific sale with a buyer. In addition to the sale, today's sales persons should help to build profitable customer relationships.

Qualities of a good or successful salesman

Introduction:

Salesmanship is not a child's play. It is a competitive game. To play this competitive game successfully, a salesman should have a good sales personality. What is fragrance and colour to a flower, sales personality is to a salesman.

Sales personality is the total of everything about a salesman which makes its impression upon the prospects and the customers. In other words, it is the sum total of all abilities, traits, etc. of a salesman which impresses the prospects and the customers, inspires confidence in them and influences them favourably. In short, it is the sum total of several qualities that a salesman possesses.

The various qualities of a salesman, which improve his personality and enables him to do his job successfully, may be classified into four categories. They are:

1. Physical qualities
2. Psychological or mental qualities
3. Social qualities
4. Moral or character qualities
5. Other qualities

1. Physical Qualities

Physical qualities are one of the important categories of qualities that improve the sales personality of a salesman and help him to do his job successfully. The various physical qualities required of a good salesman are:

1. Good health

A salesman must have good health. Good health is a wealth for a salesman. Good health gives him more strength and enables him to work hard at all times, in all seasons and at various places. Further, there can be a sound mind only in a sound body. That is, physical health is the pre-requisite to mental health. Good health can be maintained by a salesman by good food, regular food habits, exercise, relaxation and periodical medical care.

2. Good appearance

A salesman must present good appearance. Good appearance is an asset for the salesman. The good appearance of a salesman attracts the customers towards him and helps him to do his job

successfully. Good appearance can be maintained through cleanliness, i.e., through the care of the face, hair and hands.

3. Good dress

A salesman should wear good dress. The good dress of a salesman attracts the prospects and creates a good impression in them. On the other hand, shabby dress drives away the prospects from the salesman.

4. Good posture

Good posture means an upright bearing and carriage, i.e., standing erect with the body well-balanced on the feet. A salesman should have a good posture. Good posture of a salesman reflects his self-confidence and helps him to command respect from the people. On the other hand, a poor stooping posture shows lack of self-confidence and alienates (i.e., detaches) the people from the salesman.

5. Pleasant voice

Good voice is quite essential for a salesman. His voice must be good, clear, pleasant and well-modulated so as to hold the attention of the prospects.

6. Forceful or powerful speech

A salesman should be a fluent speaker. Fluent and forceful speech is necessary, if the salesman is to sell his point of view and convince the customers and the prospects. Powerful speech always inspires the listeners.

2. Psychological or Mental Qualities

Mental qualities also improve the sales personality of a salesman and help him to do his job better. The important mental qualities required of a salesman are:

1. Intelligence

Intelligence is the mental capacity to understand quickly. In short, it means quickness in understanding. The intelligence of a salesman helps him to understand the situation and the customer quickly and helps him to do better selling.

2. Resourcefulness

A salesman must be resourceful. Resourcefulness means mental ability to think out alternatives. In other words, it means the ability of a person to convince new ideas or devise novel approaches to make people do what he wants them to do. The resourcefulness of a salesman helps him to think out every selling situation with a view to tackling it successfully.

3. Imagination

Imagination is the power of visualizing things. A salesman should have rich imagination. It is considered as the solution to the problem. It enables the salesman to see the difficulties and the problems of the prospects through their eyes and to devise the ways and means of solving them. In short, it helps the salesman to understand the minds of the prospects easily.

4. Cool Temper

A salesman must have cool temper. He should not lose his temper under any circumstance. He should deal with the prospects by keeping himself composed and cool-tempered.

5. Initiative

Initiative means the ability to think and decide for oneself without any guidance from anybody. In the initial stages, no doubt, a salesman has to work under the guidance and the supervision of others. But in course of time, he must form the habit of thinking and deciding by himself. This initiative helps him to take quick decisions.

6. Alertness

A salesman must be alert. Alertness makes a salesman keenly alive to the sales situation and helps him to take concrete steps to tackle the particular sales situation.

7. Keen Observation

A salesman must have keen observation. The power of observation enables him to observe and know the situation, people, products, etc. to size up his customers and to take the required action.

8. Sharp Memory

A salesman must have a sharp and retentive memory. He must be able to remember the faces and names of customers, the products they usually use, the features, grades, quality and the prices and other details of the products he sells. This will help him to do his job easily and quickly.

3. Social Qualities

Social qualities contribute to the sales personality of a salesman in a big way. The important social qualities required of a successful salesman are:

1. Courtesy

A salesman must be courteous in his behaviour. Courtesy costs nothing. But it can work wonders.

2. Good Manners

A salesman must have good manners. It is the salesman's manners that make or mar his chances of success in selling. In the context of good manners, it should be noted that a salesman should avoid mannerisms (i.e., the petty habitual gestures), such as smoothing hair, buttoning and unbuttoning coat, clasping and unclasping hand, swinging back and forth in the chair, looking at the hands, toying with the watch, ring, pen, fingers, etc., looking up, down or the side, laughing artificially, etc. This is because, these mannerisms are offensive and they distract others.

3. Sociability

Sociability means the capacity of a person to meet people and mix with them freely and easily. A salesman must have this quality. Without this quality, he cannot mix with the prospects and customers and succeed in his endeavour.

4. Enthusiasm

A salesman should have enthusiasm in his work. Enthusiasm is to a salesman, what patriotism is to an army. This quality gives the salesman inspiration, zest and interest in his work.

5. Cheerfulness

A salesman should have a smiling face and cheerfulness. According to a Chinese proverb, "A man without a smiling face must not open a shop". A cheerful salesman will be able to draw the attention of the customers towards him.

6. Tact or Diplomacy

Tact is the ability of a person to dominate others without their knowing it and leading them to action without forcing them. In short, it is the ability to say the proper thing and do the right thing without offending others. Tact and diplomacy are very essential for a successful salesman.

7. Patience and Tolerance

A salesman must have patience and tolerance. Stoic patience in a salesman will definitely help him to do better in the long run.

8. Self-confidence

A salesman must have self-confidence, i.e., confidence, in himself and in his ability to convince others and win over them. Self-confidence is the key-note to effective salesmanship. It helps the salesman to convince his customers and overcome their objections.

9. Humour, sympathy and geniality

Humour, sympathy and geniality are essential qualities in a salesman. They enable him to face difficult and dedicate situations easily.

10. Poise

Poise is the power of an individual that keeps him in effective command of himself in terms of physique, mind and endeavour. A salesman should have his quality. This quality helps the salesman to do his job well under all situations.

11. Team-spirit and cooperativeness

A salesman has to work with his fellow salesmen, his superiors and also with customers. So, he should have team-spirit and the spirit of cooperativeness.

4. Moral or Character Qualities

Character qualities of a salesman refer to his moral qualities. The character or moral qualities of a salesman add to the sales personality of a salesman. The important character qualities required of a successful salesman are:

1. Honesty

A salesman must be honest to the customers. He must be honest in making representations about the products to the customers. He must not induce the customers to buy goods by making false representations. By false representations, a salesman can secure only the first order, and not the continued patronage of the customers. A salesman must be honest not only to the customers, but also to his employer. He must make honest reports to the employer about his calls, sales, expenses, market situations, etc.

2. Loyalty

A salesman must be loyal to his employer. He must work sincerely for his employer. He must not damage the reputation of his employer under any circumstance. He must strictly and sincerely carry out the instructions of his employer.

3. Integrity

Integrity means uprightness of character. A salesman must have integrity. This quality gives him the necessary moral courage and helps him to succeed in his task.

4. Determination

Determination is the will to go on and on try again and again in the face of disappointments until the success is achieved. A salesman should have a strong determination. It helps him to achieve his goal.

5. Courage

A salesman must have courage. This quality enables him to face new customers, new situations and do his work successfully.

6. Maturity

Maturity connotes (a) ability to assume responsibility, (b) capacity to tolerate criticisms and to hear praise gracefully, (c) capacity to understand and appreciate the rights of others and to realize one's own social and civil obligations and (d) the ability to rise above one's own narrow, personal and selfish ends. This quality is quite essential for a salesman, if he is to succeed in his career.

7. Reliability

A salesman should have reliability. He must do his work seriously and with responsibility. He must carry out his duties to his employer and customers in an earnest spirit.

8. Aspiration or Ambition

Aspiration or ambition is the desire to do well and achieve something in life. A salesman should have ambition. Then only, he can achieve success in his task.

9. Industry or Industriousness

Industriousness means persistent and hard work to achieve the goal. A salesman should be industrious. He should take pains to study, understand and solve the problems which he faces in his sales task.

10. Self-discipline or control

A salesman should be self-disciplined. The quality helps him to win over others and do his task efficiently.

5. Other Qualities

No doubt, the personality of a salesman (i.e., the sum total of the above qualities of a salesman) is quite essential for a salesman. But mere sales personality alone is not sufficient for a salesman to succeed in his task in the competitive business world. Besides the sales personality, a salesman must acquire some additional qualities. They are:

1. Knowledge of Self

A salesman should have an assessment of knowledge of his own personality. In other words, he should know his

strong points and weakness. The knowledge of his own personality will help the salesman to deal with the customers effectively. It helps him to depend upon the strong points of his personality and avoid the display of his weakness in dealing with the customers. Further, the knowledge of his weakness will help him to take steps to overcome those weaknesses in course of time.

2. **Knowledge of the Products**

A salesman should have a thorough knowledge of the products he sells. He should have a detailed knowledge of the nature of the products (i.e., the type, design, size, colour, grade and quality of the products), materials used in the manufacture of the products, methods of their production, methods of packing and packaging, uses of the products, channel of distribution, terms and conditions of sales promotion methods undertaken, etc. A thorough knowledge of the products gives him confidence and enables him to explain the merits and superiority of the products to the customers and guide the customers in the proper selection of their goods.

A thorough knowledge of the products can be had by the salesman from sales manuals, advertisements, visit to the factories, attending the sales meetings, training and consultation with the seniors, etc.

3. **Knowledge of the Firm**

A salesman is not just selling a product. He is also selling his firm. As such, a salesman must have a thorough knowledge of the firm which he represents. He should know the history and development of the company, the people responsible for the development of the firm, the top officials of the firm, the achievements and records of the firm and its standing in the market, the financial structure of the firm, the objects of the firm, the different products offered by the firm for sale, the distribution policies of his firm, the consumer services offered by his firm, etc. A knowledge of the firm

helps him to do his job confidently and enables him to render better service to the firm.

4. **Knowledge of the Customers**

A salesman must have a thorough knowledge of the customers. He must know the buying motives of the customers and the nature and the requirements of the customers and also the art of dealing with the different types of customers. A knowledge of the different types of customers helps the salesman to adopt different tactics while dealing with different types of customers. A knowledge of the buying motives of the customers helps the salesman to know the minds and the needs of the customers and enables him to tailor (i.e., to adjust) the selling points (i.e., the good features of the products) according to the buying motives of the different types of customers and deal with the customers confidently and effectively. In short, a knowledge of the customers helps the salesman to size up the customers quickly and correctly and deal with them effectively.

5. **Knowledge of technique of selling**

A salesman should have a thorough knowledge of the technique of selling. He should have a good knowledge of certain basic principles of selling, such as attending to the customers quickly, understanding the requirements of the customers and ensuring that the needs of the customers are met suitably.

A salesman can have a thorough knowledge of the techniques of selling through suitable training.

Recruitment of Salesmen

Need for recruitment

Salesmen are "the active striking power" of the sales department of a business. The successful working of a business depends upon the creation of an efficient sales force. As such, recruitment of the right type of salesmen becomes absolutely necessary. The recruitment of salesmen has assumed greater importance these

days owing to increasing competition, changing fashions and tastes, tendency of the manufacturers to sell directly to the retailers and even to the final consumers.

Recruitment of salesmen is necessary to meet the following situations:

1. To fill the vacancies created by the dismissal of unfits, and the retirement, resignations, death or disability of the salesmen on roll.
2. To expand the sales force to develop new markets, to introduce new products or to undertake other sales promotion activities.

It is true that recruitment of salesmen becomes necessary for every concern. But the number of salesmen to be recruited and the frequency with which they are to be recruited vary from firm to firm, depending upon the size of the firm, the financial position of the firm, the products to be sold, the nature of the markets to be covered and the channel of distribution adopted by the firm.

Process of Recruitment

The recruitment of the right type of salesmen involves many processes. They are:

1. Job analysis (i.e., analysis of the job to be done by the salesmen).
2. Personal analysis (i.e., determination of the characteristics and qualities to be possessed by the salesmen).
3. Tapping the various sources of recruitment.
4. Careful selection of the candidates.
5. Appointment agreement.

Now, let us consider the various processes involved in recruitment in detail.

i. Job Analysis

The nature of duties and responsibilities of salesmen vary not only from product to product, but also from firm to firm.

For instance, the duties and responsibilities of wholesaler's salesmen will be different from those of manufacturer's salesmen or retailer's salesmen. Further, the duties and responsibilities of counter salesmen will differ from those of outdoor salesmen. Again, the duties and responsibilities of salesmen selling convenience goods will differ from those of salesmen selling speciality goods. As such, to be able to recruit the right type of salesmen, a firm must, first, determine (i.e., know) the nature of duties and responsibilities involved in the job which the salesmen to be recruited have to do. For this purpose, job analysis has to be undertaken. **Job analysis** refers to the determination of the job traits (i.e., implications and requirements) of the job or the nature of the duties and responsibilities involved in the job. In other words, it is the determination of the duties and responsibilities to be assigned to the salesmen proposed to be appointed. (It should be noted that job analyst is concerned with the job, and not with persons.)

Job analysis is helpful in the selection of the right type of salesmen. It is helpful not only in scientific selection of salesmen, but also in the training and supervision of the salesmen and in the fixation of the remuneration payable to them.

II. Personal Analysis, Personal Specifications, Man Specifications or Job Specifications

After the job analysis is over, on the basis of the job traits, the firm (i.e., the sales manager) has to proceed with the personal analysis. **Personal analysis** refers to the determination of the personal traits, i.e., specific characteristics and qualities which should be possessed by the salesmen proposed to be appointed for the performance of the job efficiently.

For the purpose of determining the qualities which should be possessed by the salesmen, the traits or qualities are divided into three groups. They are:

a. General qualities

General qualities comprise good personality, sound health, honesty and integrity, sociability, intelligence, consistency and power of observation.

b. Particular qualities

Particular qualities include educational qualifications, past experience and knowledge of the firm, the product, the customers and the market.

c. Technical knowledge

Technical knowledge includes the knowledge of the chemical or mechanical aspects of the products to be sold, knowledge of the legal implications involved in the sale of goods and the languages required to be known by the salesmen.

III. Tapping Various Sources of Recruitment

After the job analysis and personal analysis are over, the firm has to tap the different sources of recruitment so as to select the most efficient salesmen.

Sources of Recruitment:

There are many sources of recruitment. They are:

1. Own Staff

The own staff of the firm, i.e., employees of the firm working in other departments, say, in advertising department, correspondence department, production department or accounts department may be considered for the job of salesmen, if they satisfy the requirements of salesmen.

The appointment of the own staff of the firm as salesmen offers several benefits. They are:

1. Their character and capacity can be easily evaluated.
2. Their loyalty to the firm can be taken for granted.
3. They have the knowledge of the firm. They also have the technical knowledge of the product. As such, they may prove to be efficient salesmen.

4. The expenses involved in the selection and training of salesmen will be less.
5. The morale of the employees will be boosted up.

However, there are certain limitations in this source of recruitment. They are:

1. Not many employees may possess the necessary qualities needed for the sales job.
2. Unless the selection is made strictly on merit, there will be discontentment among the employees.

2. Salesmen of Competing Firms

The salesmen of competing firms (i.e., salesmen in employment with the firms selling competing products) may be attracted by offering higher remuneration.

This source has certain advantages. They are:

1. They do not need intensive training. That means, the expenses involved in training salesmen will be less.
2. They have the knowledge of the selling techniques.
3. They have the experience of selling similar products.
4. They possess the knowledge of the customers.
5. They bring with them the customers they know.

However, this source is not free from defects. It suffers from the following defects:

1. Higher remuneration has to be offered to such salesmen. This increases the selling expenses of the firm.
2. The loyalty of such salesmen would always remain doubtful, as they may leave the concern and join other competing firms when they are offered still higher remuneration by other firms.
3. These salesmen would find it difficult to recommend the product to the old customers (i.e., the customers to whom they were selling the product of the old firm earlier).

3. Salesmen of Other Non-Competing Firms

The salesmen in employment with other non-competing firms (i.e., the other firms not competing with the firm) may also be considered for employment.

This source has certain benefits.

1. Such salesmen possess general knowledge of the selling techniques. So, they may prove to be better salesmen.
2. They have established contacts with some customers. This contact will be quite useful in promoting sales.

However, these salesmen do not have the knowledge of the product.

4. Customers and their Employees

The customers of the firm may be considered for appointment as salesmen, provided they have the qualities required of salesmen. As these persons are already well acquainted with the product and the customers, they may prove to be effective salesmen.

Not only the customers of the firm, but also the employees of the firm's customers may be considered for employment, if they satisfy the requirements of salesmen. For instance, the employees of wholesale or retail undertaking dealing in the firm's products may be considered for appointment. As these persons have the knowledge of the product and the customers, they may prove to be effective salesmen.

5. Graduates from Schools and Colleges

Many schools and colleges conduct specialized courses in commercial subjects in general and salesmanship in particular. The graduates from such schools and colleges can be considered for employment. As these graduates possess knowledge of commercial subjects like salesmanship, accounting, economics, etc., they can prove to be good salesmen.

6. Situations Wanted Column of Newspapers and Magazines

Qualified and experienced salesmen, who are not satisfied with their existing conditions and aspiring for better prospects, advertise

their offer to serve other firms in 'Situation Wanted' columns of the newspapers and magazines. Such candidates can be considered for appointment. As these persons have qualifications and experience, they can be better salesmen.

7. Press Advertisements

By advertising its offer to appoint salesmen in 'Wanted' or 'Situations Vacant' column of the newspapers and magazines, a firm may call for applications from intending candidates and select the best from among the applicants. This is the most widely used source of recruitment of salesmen.

8. Recommended Candidates

Often, persons in higher positions in politics, business or social life recommend candidates for appointment as salesmen in business firms. Such recommended candidates can be screened carefully and appointed as salesmen, if they possess the requisite qualifications. Such candidates often prove to be good salesmen.

9.Casual Applicants

Sometimes, a firm may receive applications from those seeking jobs, though it has not advertised any posts. Such applications may be preserved by the firm, and later, when vacancies arise, they may be considered for appointment.

10. Employment Exchanges

There are agencies which maintain records of candidates seeking employment. Such agencies are called employment exchanges. The employment exchanges may be public employment exchanges or private employment exchanges. In our country, public employment exchanges are found throughout the country. Private employment exchanges are very rare. Such employment exchanges can be contacted for the recruitment of the required personnel.

Selection of Salesmen

After the candidates have been solicited for the job by tapping various sources of recruitment, the firm has to go ahead with the selection of the right candidates. To ensure the selection of the

best candidates, the selection has to be made very carefully. There are many well-tried' selection tools (i.e., procedure or series of steps) to be adopted for the selection of the right candidates.

Process or Steps or Procedure of Selection

Generally, the following procedure or steps are taken for the selection of candidates as salesmen:

1.Application Blank, Blank Application or Application Form

The first step in the selection of candidates is getting the application forms duly filled in by the candidates. The candidates are required to furnish information regarding their name, address, date of birth and also educational qualifications, physical traits (i.e., height, weight, etc.), experience, etc, by filling up the blank spaces of the application forms supplied to them.

After the completed application forms are received, they are scruitinised (i.e., studied) very carefully. A careful reading of the completed application forms gives a clear idea about the qualifications and experience of the candidates and helps in the choosing of candidates who have good chances of selection.

2. References

The second step in the selection of candidates is contacting the referees or the study of the letters of references to confirm the integrity and worthiness of the candidates. It is the common practice of the business firms to ask the applicants to give two or three references (i.e., the names of two or three referees) in their application forms or to enclose two or three letters of references. If there are references or letters of references given by the candidates, the firm has to contact the referees or study the letters of references and confirm the integrity and worthiness of the applicants.

3.Preliminary Personal Interview

The third step involved in the selection is the preliminary personal interview of the candidates. After checking up the references, the firm should decide about the candidates who stand a chance for selection, and send interview letters to such candidates asking

them to appear for preliminary personal interview on a specified date.

Personal interview is an important step in the process of selection. During the personal interview, it is possible to judge the appearance, health, aptitude, initiative and work habits of the candidates. So, it should be conducted properly. For the proper conduct of the personal interview, the interviewers should be skilled in grasping the mind and the capacity of the candidates, and they should be men of unbiased mind. Further, the candidates called for interview should be treated well and be made to feel at ease. Again, during the course of the interview, simple and searching questions should be put and the alertness, tact, intellectual qualities, aptitude, etc. of the candidates should be judged. The impressions of personal interview must be recorded and tabulated according to merit.

4. Psychological Tests

Besides personal interview, good many firms conduct psychological tests for the candidates to discover their attitudes, aptitudes, abilities, etc. The psychological tests consist of (a) mental ability test, (b) mechanical aptitude test, (c) personality test and (d) vocational test. Mental ability test is intended to find out the intellectual qualities of the candidate, say, ability to reason logically and clearly, ability to solve problems, etc. Mechanical aptitude test is conducted to test the candidate's specialized knowledge of the mechanics of the articles to be sold by the firm. Personality test is designed to find out the candidate's ability to understand, move with and motivate the customers. Vocational test is conducted to find out whether the candidate has interest in the sales job.

If the firm wants to conduct any such psychological tests, it should conduct the necessary psychological tests and understand the merits and the caliber of the candidates.

5. Medical Examination

After the psychological tests are over, the candidates found fit are called for medical examination. It is intended to verify the physical fitness of the candidates for the job.

6. Final Interview

After the medical examination is over the selected candidates are called for the final interview. At the final interview, a free and frank discussion about the duties and terms of service takes place. After the final interview is over, the candidates to be appointed are decided upon.

7. Appointment Order or Appointment Agreement

After the decision to appoint candidates is taken, appointment agreement is entered into with the selected candidates. The appointment agreement is signed by both the applicant and the employer. When the appointment agreement is signed by both the employee and the employer, it constitutes a legal contract between the two. The signed appointment agreement, which constitutes the legal contract, contains a clear statement of the terms and conditions of appointment, scale of pay, etc. It also covers the duties, authority, territory allocated, sales quota, etc. This agreement safeguards the interests of both the employee and the employer.

Training of Salesmen

Meaning of Sales Training or Training of Salesmen

Sales training or training of salesmen is that continuous process which tells the salesmen as to what they should do, shows them what they should do, lets them do it and checks their doing and makes sure that they are up to the expectation. In short, it is the process of perfecting the salesmen (i.e., making the salesmen quite fit) for their work.

Need for Training

Most of the people who take up the work of salesmen do not have the knowledge of the products they have to sell, the customers for the products and the methods of selling the products. So, they require good training before they actually enter into the field of selling.

Further, not only the ordinary salesmen, but also the so-called born-salesmen require training. In this context, it may be noted

that some people argue that salesmen are born and not made, and so, training of (born) salesmen is not necessary. But this argument is not correct. The term, "born salesmen" merely means that they have some fundamental characteristics which will make it easier for them to become good salesmen. It does not mean that they do not require any training. Even the so-called born salesmen require good training to become good salesmen. So, all types of salesmen, ordinary as well as born, require good training to become good salesmen.

Again, the new salesmen do not have the knowledge of the products they have to sell, the customers to whom they have to sell and the sales techniques. So, they require intensive training. Not only the new salesmen, but also the old salesmen require training. The old salesmen require training to know the new products introduced by their firm or by the competitors or the improved sales techniques or to improve their ability and efficiency.

Thus, training is quite essential for born salesmen as well as others, and for new as well as old salesmen, to become quite fit for their work. That is why, all big firms (which can afford to spend money on training) organize training programmes for their sales force.

It is true that all types of salesmen, ordinary as well as born, new as well as old, require training. But the extent of training needed will vary depending upon the following factors:

1. The nature of the concerned sales job (i.e., whether it is highly complicated and difficult or easy).
2. The educational qualifications of the salesmen.
3. The previous experience of the salesmen in the sales job.
4. The previous training which the salesmen possess.
5. The nature of the products to be handled (i.e., to be sold).
6. The types of customers to be approached.

Objectives of Training

There are several objectives in giving training to salesmen. The main objectives are:

1. To teach the newly appointed salesmen the principles and techniques of selling.
2. To make the old salesmen know the improved techniques of selling.
3. To enable the salesmen to know their firm, (i.e., the history of their firm, its organization, achievements), etc.
4. To acquaint the salesmen with the policies of their firm in respect of distribution, credit, prices, etc.
5. To enable the salesmen to get full knowledge of the products which they have to sell, their manufacturing processes, characteristics, uses, etc.
6. To give the salesmen, information about the dealers and the customers of the firm's products.
7. To acquaint the salesmen with the position of the competing firms in the market and to show them the ways of improving the sales against such competition.
8. To keep the salesmen well-informed about the laws and Government regulations affecting the sales of goods.
9. To keep always ready a sales force to replace the salesmen who retire or resign and those who may be absent.
10. To find out, in the course of the training, the unsuitable appointees and weed them out.
11. To increase or improve the efficiency of all types of salesmen, born as well as ordinary, old as well as new.
12. To make the salesmen well prepared for the work and to reduce the turnover of labour force (i.e., to reduce the number of salesmen who will leave the job).

Advantages of Good Training Programme

A well-designed and well-organised training programme bestows several benefits on the firm as well as on the salesmen.

The main advantages of a good training programme to the firm are:

1. Increased sales

A good training programme helps the salesmen to increase the sales. In short, it contributes to increased sales.

2. Early selling maturity

A good training helps the salesmen to attain early selling maturity (i.e., to pick up his work early). In other words, it helps the salesmen to reach the normal level of effectiveness or efficiency early.

3. Lower supervision costs

Training reduces the costs of supervision and control of salesmen.

4. Lower turnover of sales force

Good training makes the salesmen well prepared for their work. So, they do not, usually, leave their jobs. That means, there is reduction in the turnover of sales force (i.e., reduction in the number of salesmen leaving their jobs). The reduced turnover of sales force, in turn, reduces the costs of recruitment and training of new salesmen.

5. Better relations with customers

Proper training helps the salesmen to maintain cordial relations with the customers. This improves the image of the firm.

6. Attracts talents

Provision of training attracts talented and better types of salesmen.

7. Increased morale

Good training gives the salesmen the required confidence. As a result, the morale of the sales force will be high.

8. Planned sales campaign

Training contributes to planned sales campaign by the salesmen. This reduces the loss of time of the salesmen in travel, canvassing, etc.

9. Uniformity in sales campaign

Training adds uniformity to the efforts of the salesmen.

10. Good employer-employee relations

Training also contributes to better relations between the employer and employees (i.e., sales force).

11. Better demonstration

Training helps the salesmen to undertake the work of demonstration of the products better, wherever demonstration of the products is necessary.

12. Location of talents

Training helps the firm to locate talents and develop the abilities of the talented persons for the success of the firm.

13. Location of unsuitable appointees

Training also helps the firm to find out unsuitable appointees and weed them out.

14. Sales job with a few trained salesmen

A firm, having proper training programme for the salesmen, can manage the work of selling with a smaller number of trained salesmen.

The advantages of training to salesman are:

1. Training gives the salesmen confidence in their work.
2. It helps them to pick up their work quickly.
3. It makes them take more interest in their work.
4. It helps them to increase their sales and thereby increase their earnings, when they are entitled to commission on sales.
5. It makes them eligible for promotions and higher positions.

Contents of a Good Training Programme or Scheme

The exact nature of the contents of (i.e., the subjects to be covered by) any scheme of training varies from firm to firm depending upon, the nature of the products to be sold and the

marketing considerations. But, generally, a good training programme covers the following subjects:

1. Basic principles of salesmanship

To be effective in their sales efforts, the salesmen must know the principles of salesmanship. They must know the selling points of their products, the buying motives of the customers, the methods of approaching different types of customers, the effective ways of arousing interest in the products and creating desire for the products, and they must be able to meet the objections raised by the customers.

2. Information about the firm

Every salesman should have a thorough knowledge of the firm where he is employed. He must know the history of the firm, its organizational set up, its achievements, the goodwill or the reputation of the firm and the sales and distribution policies of the firm, consumer services offered by the firm, etc. This knowledge will inject a sense of pride in the salesman and will enable him to do his job as per the firm's policy.

3. Information about the product

The salesmen, to be successful in their work, must have a thorough knowledge of the products to be sold by them. They should know the nature of the products, the materials used in the manufacture, the methods of manufacture, the superiority of the products over the products of the rivals, the uses of the products and the method of using the products. This will help the salesmen to persuade the customers with convincing points to buy the products.

4. Information about the customers

The salesmen are required to adopt different types of approaches to different types of customers. So, to be successful in their work, they must know the customers thoroughly. They must know the strong and weak points of the different types of customers, such as the silent customers, talkative customers, well-mannered customers, ill-mannered customers, suspicious

customers, hesitant customers, argumentative customers, short-tempered customers, etc. so that they can adjust their approach according to the types of customers. They must also know the buying motives of the customers (such as the health, comfort, convenience, fear, price, recreation, affection, habits, etc.) so that they can appeal to the relevant buying motives of the customers.

5. Information or knowledge of the competitors

To be effective, apart from the knowledge of their firm and its products, the salesmen must possess a good knowledge of the competing firms, their products and their policies. This will help them to find out the weaknesses of the rival firms and their products and to adjust or improve their sales efforts to overcome the competition offered by the rival firms.

6. Matters relating to the day-to-day work

Besides knowing the above, the salesmen must also know all the routine matters relating to their day-to-day work. They must know the drafting of periodical reports to the firm, writing replies to the letters, preparation of orders and bills, maintenance of account and arrangement of display and demonstration of the products.

Methods of Training

There are many methods of training salesmen. Some of the important methods are:

1. Organisation of Lectures

Under this method, lectures by experts on various aspects of selling are organized by the firm for the salesmen (i.e., to make the salesmen know the principles of selling). The salesmen attending the lectures take down notes of the lectures. They also take part in the group discussions, seminars and written tests that follow the lectures.

The main advantages of this method are:

1. The salesmen get exhaustive information about the products, markets, techniques of selling, etc.
2. It is an ideal method of imparting factual information.

However, this method suffers from a serious defect. That is, lectures provided to the salesmen only with theoretical knowledge of salesmanship. They do not provide practical training to the salesmen.

2. Conducting of Sales Conferences

Under this method, the salesmen are called to attend the sales conferences at periodical intervals, say, weekly, fortnightly or monthly. (The officers in charge of the sales of the firm may address such conferences.) In such conferences, selling techniques, selling policies of the firm, complaints received from the customers, competition faced by the firm in the market, advertising programme, difficulties faced by the salesmen, etc. are discussed.

The chief merits of this method are:

a. It helps the salesmen to think logically and take balanced decisions.

b. It facilitates exchange of ideas and experiences among the participants. This exchange helps to broaden the knowledge of the salesmen.

c. Salesmen are able to get much information about the latest techniques of selling.

d. It brings administrative staff and sales staff together. This contributes to cordial relationship between the staff of the two departments.

e. It helps to find out solutions, by group discussions, for problems for which solutions could not be found out by each individual salesman.

However, this method also suffers from certain limitations. They are:

1. It is a slow and time-consuming method.
2. It is costly.

3. Supplying Sales Manuals

Under this method, sales manuals are prepared and distributed by the firm to the salesmen for their guidance. A sales manual is a

book prepared by experts to meet the specific needs of the salesmen. The contents of the sales manual differ from firm to firm. The sales manuals of some firms contain just the names of the products and their prices. But some sales manuals contain detailed information, such as the history of the firm, description of the job, product specifications, their prices, sales policies of the firm, selling techniques, etc.

The chief advantages of this method are that the sales manuals serve as ready reference material for the salesmen at work.

However, the preparation of sales manual will involve much expenditure. Further, sales manuals will be of much use only if they contain detailed information.

4. Arranging Correspondence Training

Under this method, postal tuition is given by the firm to the salesmen working in different sales territories. The training office of the firm prepares lessons on principles and techniques of selling and sends the lessons to the salesmen by post. The salesmen study these lessons thoroughly. Doubts and difficulties, if any, are referred to the training office by post.

This method is, no doubt, useful especially when salesmen are working in distant sales territories and are not able to participate in lectures and conferences.

However, this method suffers from certain defects. They are:

1. Postal instructions will be useful only in the case of salesmen possessing certain amount of knowledge of and experience in selling. They will not be of much use to fresh recruits.
2. They will be useful only if the salesmen care to go through the same.
3. Preparation and sending of postal instructions is costly.
4. They give only theoretical knowledge, but not practical knowledge.

5. Sending the salesmen to Institution offering Courses on Salesmanship

Under this method, the firm sends the salesmen to institutions (i.e., schools and colleges) which conduct special courses on salesmanship. The tuition fees and other incidental expenses of the salesmen attending such courses are borne by the firm.

This method is, no doubt, useful. But it is practicable only in countries like the U.S.A, the U.K. etc. where there are a large number of institutions offering specialized courses on salesmanship. In countries like India where there are not many specialized institutions offering such courses, this method may not be suitable. Again, this method is costly.

6. Arranging for Apprenticeship

Under this method, a newly appointed salesman is made to work as an apprentice under a senior salesman of the concern to learn the art of selling. The newly appointed salesman works under the senior salesman, observes the work of the senior and learns the art of salesmanship through observation.

This method is a good method, as it helps the salesman to observe and learn the art of salesmanship. But the serious drawback of this method is that some seniors may not teach the tricks of the trade to the apprentices.

7. Arranging for Field Training

Under this method, the salesmen undergoing training accompany the trainer (i.e., an experienced senior salesman) who actually approaches the prospects (i.e., potential customers) with the catalogues, products, etc. The trainee salesmen observe the various steps of the sales talk made by the trainer. The trainer, after the conclusion of his sales with the prospects, explains to the trainee salesmen the various stages in his sales talk and the selling points he emphasized during the sales talk. After this, the trainee salesmen are asked to approach the prospects and do the job of sales talk, while the trainer observes the whole process.

This method is really a good method. It gives practical training to the salesmen.

However, this method is a time consuming process. Further, it is costly.

8. Provision of Visual Training

Under this method, through visual training aids, training is given to the salesmen. Visual, audio-visual and audio aids, such as motion pictures, films, radio and television programmes, etc. are used to demonstrate the steps involved in the selling process to the salesmen. Pictures depicting the various stages of the work of a successful salesman are shown, on television and through films or motion pictures, to salesmen during certain hours once or twice a week. Short plays, skits and dialogues are broadcast through radio programmes to educate the salesmen. Tape recorders, record players, etc. are used to record the talks of the salesmen so as to make them improve their style of speaking.

Visual training aids cover (a) visual aids, (b) audio visual aids and (c) audio aids.

Visual aids include the use of black boards, charts, slides and strip films. They have the following advantages:

a. Subjects which cannot be made clear by explanation can be made very clear through visual aids.

b. Visual aids create more interest in the trainees.

c. They give some sort of practical knowledge to the trainees.

However, they are costly.

Audio-visual aids comprise sound motion pictures, sound slide films, etc. These aids have the following advantages:

a. They attract and hold the attention of the trainees.

b. The trainees can understand the techniques of selling more easily.

However, they too are costly.

Audio aids include tape recorders, record players and other recording machines. These are used to record the talks and speeches of the salesmen at the meetings and conferences, and

later they are played back before the salesmen on various occasions. The main objective of these audio aids is to train the salesmen in the art of better speech.

The audio aids also are an effective method of training salesmen. They give practical training to the salesmen.

However, they are costly.

Motivation of Salesmen

Salesmen are the backbone of a sales organization. A good salesman makes a poor selling house into a progressive one. And a bad salesman can make a sound selling house into a starving position. It is been said, "You can buy man's time, his physical presence, but not his will, loyalty and initiative". The selling firm can purchase the time of salesman or his physical presence of a job. His willingness to work or his loyalty cannot be purchased and these have to be earned. The will or willingness to work is an important matter as it is a motivation factor.

Meaning of Motivation

Motivation means stimulus to achieve goals set out for salesmen by the management. Motivation is directly linked with the will – will to work. It is the psychological encouragement or a process of hard work or work better feeling in the mind of the salesmen. To attain a good result through their activities, they have been trained. And compensation is paid for the services rendered by the sales personnel. Apart from this financial incentive, further encouragement for motivation is needed – respect his personal ego, praise him, keep him in touch with the latest information, promotions, recognition of his merits etc., at the right place. These are non-financial incentives.

Need for Motivation

All the sales personnel like to have their efforts recognized. They like to feel that they are part and parcel of the firm. Some salesmen require no encouragement from the management and are able, ambitious and self-starters. Yet, most of the salesmen need encouragement and stimulation to work at their best. This is because of the following reasons:

1. **Nature of the Job:** Salesmen's job is to tell and to sell. He has a chain of incidents of happy and unhappy results from the customers. He has to face the customers of different attitudes – rude, shrewd, argumentative, impatient etc., as well as nice, friendly, good natured etc. He may successfully meet a few and end in orders, while a few may offer only arguments with no result. As such salesman will be in mental tension and will have no peace of mind. And his sales may be lost to competitors. This type of feelings will upset his mind, and he may lose his stamina, resulting in boredom apart from tiresomeness. Therefore, a strong stimulation keeps him to the desired level of performance.
2. **Human Nature:** A satisfied salesman will do better for the firm, but an unsatisfied salesman will do more harm than good. The financial incentive is not enough to keep him happy. Stimulation in the form of promotion, extra-financial benefit etc., are needed to keep him at the level of performance. His mind must be happy.
3. **Personal Problems:** A salesman passes most of his time away from his family. He is unable to attend his family affairs. He may have sick or old persons at home or debts to be returned etc. His peace of mind greatly depends upon the condition of his family. His condition is correlated with condition of his family. Thus, he needs a good encouragement.
4. **The Loners:** By profession he is working in the assigned territory. He may feel lonely and monotonous. He must be kept in with the feeling of group identity.

Methods of Motivation

In addition to the remuneration, certain types of encouragement are needed for the salesmen. For this, the methods of motivation are:

1. **Sales Contests:** By sales contests, we mean a competition among the salesmen, by maximizing their effort to boost up the sales, to earn the name of superior salesman. The aim

of this contest is to increase the sales, to develop a team spirit, boosting the morale, encouraging to work hard, to overcome the depression period etc. The successful salesman at the contests bags the prizes – cash, incentive, merit certificate or free travel etc.

2. **Conventions and Meetings:** This is a group motivation. All employees meet at a place. Everyone meets and contacts fellow workers. Exchange of ideas and opinions takes place. Salesmen have a close touch with the fellow workers and executives. Problems are solved and new policies are developed.

3. **Recognition and Honour:** Recognition and honour – title such as, "Salesman for the year", medal or trophy, congratulatory greetings, appreciation letters etc., greatly encourage the salesman to do more hard work. These recognitions and honours satisfy a salesman greatly.

4. **Personal Meet:** The performance of the salesmen can be known from their reports. Further, to have more effect on the sales, salesmen may be facilitated to meet the sales manager in finding solutions to their typical problems. The sales manager gives satisfactory solutions to one's problems or discusses them to arrive at a satisfactory solution. This type of personal meet is a good encouragement.

5. **Promotions:** By considering abilities and experience, as a stimulation policy, the salesmen are promoted to a higher post on a higher salary. Thereby status increases, self-respect increases, remuneration increases, and naturally, it is the best motivation of salesmen. Further promotion is aimed at through further and more hard work.

6. **Personal Communication:** It is always good for the sales manager to write personal letters to the salesman, solving the problems of the salesman, who is performing his work. The two-way flow of ideas, facts, opinions, feelings is good in shaping goodwill and developing a high morale apart from confidence and co-operation.

7. **Freedom:** In performing his job, he should not be controlled at a high degree. It is necessary that salesman be given a reasonable degree of freedom in doing his assigned job. The salesman should be permitted to do his job in his own pattern. Frequent calling for reports should be avoided. Such things create a good stimulus and generate a feeling that the salesman's job is important in the firm. When the sales manager gives more responsibility to the salesman, the better is the result.
8. **Timely Information:** Whenever any new product is introduced, a policy is changed, a new technique is adopted etc., the salesman must be informed, so that he can possess the latest news of his concern, which is a matter of pride for him. Some of the big firms, publish magazines, and bulletins which are meant for sales personnels and contain all the latest information. When the salesman is kept informed of all the changes – changes in product, policies, colours, prices, promotions, quality, guarantee, -after- sales-services etc., he can act as a latest salesman.

Compensation or Remuneration of Salesmen

Introduction

The success of a business depends upon the volume of sales. The volume of sales depends upon the interest and efficiency with which the salesmen of a concern discharge their duties. The interest and efficiency with which the salesmen of a concern discharge their duties depends upon the reward, i.e., the remuneration, paid to them for their services. The amount of remuneration paid to the salesmen, the regularity with which it is paid and the way in which it is paid have a great bearing on the efficiency of the salesmen and the amount and the quality of their work. So, to make the salesmen contented and to induce them to put in their best efforts, a good scheme of remuneration should be introduced by a concern.

Objectives of a good Remuneration Plan or Scheme

A good remuneration plan or scheme has several objectives. The main objectives are:

1. To secure the faithful service of the entire sales force.

2. To provide good incentive to the salesmen to increase the sales, i.e., to stimulate the salesmen to put in the best of their efforts.
3. To assure certain minimum remuneration to the salesmen.
4. To secure and retain the gifted, talented, experienced and loyal staff, and to weed out the inefficient.
5. To enable the firm to have proper control over the activities of the salesmen.
6. To reduce the selling costs.
7. To reward the salesmen according to the volume of their work.
8. To make the salesmen maintain good relations with the firm as well as with the customers.

Essentials of a good Remuneration Plan

A good remuneration plan (i.e., scheme of remuneration) must possess certain essential elements or features. They are:

1. **Simplicity**

   The remuneration scheme should be simple enough to be understood by all types of salesmen, i.e., even by salesmen of average intelligence.

2. **Certainty or clarity**

   The salesmen's remuneration must be certain, i.e., must be clearly identified in the agreement.

3. **Adequacy of income and security**

   The remuneration scheme should provide adequate income to all types of salesmen. This creates a feeling of security in the minds of the salesmen. Further, it enables the salesmen to maintain a decent standard of living and keep them fit for their work.

4. **Uniformity**

   The earnings of the salesmen over different months should be fairly uniform. In other words, there should not be wide

fluctuations in the monthly earnings of the salesmen. This is necessary, as it is very difficult for the salesmen to adjust their standard of living at frequent intervals.

5. **Fairness**

The remuneration plan should be fair and equitable to the firm (i.e., the employer) and the salesmen. Further, there should not be any discrimination between individual salesmen.

6. **Incentive-oriented**

The remuneration scheme should be incentive-oriented. That is, it should provide incentive to the salesmen to work hard. However, there should be controlled incentives, i.e., the incentive payments provided for reaching a particular sales volume should be controlled carefully.

7. **Proportionate rewards**

The remuneration plan should assure proportionate rewards for the efforts put in by the salesmen. This helps the hard-working salesmen to put in their best so as to increase their earnings.

8. **Increment and promotion**

A sound scheme of remuneration should provide for promotion. That is periodic increase or increment in the same scale of pay and promotion from a lower scale to a higher scale of pay should be incorporated in the remuneration plan.

9. **Economy**

No doubt, good scheme of remuneration should contain several incentives to the salesmen. But at the same time, it should be economical to the firm. Again, the cost of administration of the remuneration plan (i.e., the cost of computation of the remuneration of the salesmen) should be as low as possible.

10. **Attractive**

The remuneration plan should be attractive enough to attract talented young and energetic men to take up the sales job.

11. **Promptness**

The remuneration plan should provide for prompt and regular payment of remuneration. In other words, the remuneration of the salesmen should be paid promptly and regularly.

12. **Flexibility**

The remuneration scheme should be flexible enough to suit the varying requirements of business, viz., change in the sales territories, methods of selling, status or position of the salesmen, etc.

13. **Practicability**

The remuneration scheme must be practicable, i.e., must be such that it could be accomplished in the prevailing conditions.

Factors influencing the Remuneration Plan

The remuneration plan or scheme adopted by a concern is influenced by a variety of factors. The various factors that influence the remuneration plan are:

1. **Financial capacity of the firm**

The financial capacity of a firm has a great bearing on the remuneration plan. For instance, the remuneration plan of a concern with high financial resources, usually, contains attractive salary and other incentives. On the other hand, the remuneration scheme of a concern with limited financial resources may not provide for very attractive salary and incentives.

2. **Nature of the sales job**

The nature of the sales job also influences the remuneration plan. If the job calls for hard work and much time, say, the job of travelling salesmen, naturally, the remuneration has to be sufficiently high. On the other hand, if the job does not call for hard work and much time, say, the job of a counter salesman, the remuneration may be relatively less.

3. **Nature of the products handled**

The nature of the products handled by the salesmen also has a bearing on the remuneration plan. If the products handled are staple commodities for the sales of which much efforts are not needed, naturally, the remuneration will be relatively less. On the other hand, if the products handled are articles of luxury or comfort for the sales of which much efforts are needed, the remuneration must be fairly attractive.

4. **Types of salesmen**

The types of salesmen also will influence the remuneration scheme. Generally, creative salesmen are required to work hard, and so, their remuneration has to be quite high. On the other hand, dealer-servicing salesmen's task is easier, and so, their remuneration is relatively less.

5. **Conditions prevailing in the market**

The conditions prevailing in the market (i.e., the nature and the extent of demand, the degree of competition, etc.) also influence the remuneration plan. If there is wide and regular demand and the competition prevailing in the market is not severe, the salesmen's task is relatively easy. So, their remuneration also may be relatively less. On the other hand, if the demand for the product is not wide and regular and there is keen competition, naturally, the salesmen are required to put in hard work. So, their remuneration has to be high.

6. **Economic conditions**

The economic conditions also influence the remuneration of salesmen. For instance, in a period of rising prices, the salesmen must be paid higher remuneration so as to enable them to meet the rising cost of living.

7. **Methods of distribution**

The method of distribution adopted by a concern also influences the remuneration of salesmen. For instance, if a concern's distribution policy consists of selling goods to a

few large wholesalers, the salesmen of the concern will be able to earn more remuneration because of the commission on bulk orders from the few wholesalers. On the other hand, if the distribution policy of concern consisting of selling goods to a large number of retailers or consumers, then, the salesmen of the concern may not be able to earn much because of the relatively small orders.

8. **Ability of salesmen**

The ability of the salesmen too influences the remuneration of the salesmen, if they are paid incentive rewards. In such a case, highly efficient salesmen will be able to have more sales, and so, will be able to earn more remuneration. On the other hand, inefficient salesmen may not be able to effect much sales, and so, naturally, their remuneration will be less.

9. **Advertising activities of the firm**

The nature and extent of advertising activities carried on by a firm also influence the remuneration of the salesmen. If a firm has extensive and effective advertising campaign, the work of the salesmen will be simplified. So, in such a case, the salesmen's remuneration need not be very high. On the other hand, if a firm does not undertake effective and elaborate advertising campaign, the salesmen are required to do much work, and so, they must be sufficiently rewarded.

Methods of Compensation or Remuneration

The remuneration paid to the salesmen is fundamentally based either on the time spent by the salesmen on the job or on the volume of sales effected by them. For instance, the straight salary method is based on the time spent by the salesmen on the job, and the straight commission method is based on the volumes of sales affected (i.e., made) by the salesmen. Very often, these two methods are combined. So, there are many methods of remunerating the salesmen. The various methods of remunerating the salesmen are:

1. Straight salary method.
2. Straight commission method.

3. Salary and commission method.
4. Salary and bonus method.
5. Salary, commission and bonus method.
6. Profit sharing method.

1. Straight Salary Method

Features

Under this method, a salesman is paid remuneration on time basis. The salesman is paid a fixed salary at the end of every month irrespective of the sales made by him during the month. Increment is given annually as per the time scale of pay, and after a certain number of years of (efficient and faithful) service, he is promoted to a higher scale of pay.

Suitability

This method is found suitable, and so, is usually adopted under the following circumstances:

1. When the work done by the salesmen cannot be measured satisfactorily.
2. When the sales effected by the individual salesmen cannot be isolated i.e., when the sales are made collectively by two or more salesmen), e.g., counter salesmen.
3. When the salesmen are required to create markets for a product.
4. When there are considerable seasonal variations in the sales made by the salesmen.
5. When the salesmen are required to perform some other functions in addition to selling.
6. When the salesmen are new to the job (i.e., for remunerating the newly appointed salesmen).

Advantages

This system has several advantages. The main advantages are:

1. It is simple. So, it can be easily understood by any salesmen.

2. It is easy for calculation and operation.
3. It assures a certain minimum income to the salesmen.
4. It ensures a steady income to the salesmen.
5. As it assures a certain minimum income (i.e., the living wage) to the salesmen regularly, it creates a feeling of security in the minds of the salesmen.
6. By creating a feeling of security in the minds of the salesmen, it maintains high morale among the sales force.
7. It gives greater control to the management over the salesman. The management can have control over the salesmen by means of withholding increments, transfers, threat of dismissal, etc.
8. As the various salesmen on a particular scale of pay are paid the same remuneration, it avoids jealousy among the salesmen.
9. Any re-adjustments in sales territories or management policies can be easily carried out under this system without much resistance from the salesmen, as the salesmen will be paid the same remuneration, whatever may be their sales territories.
10. It is a very useful system of remunerating newly-appointed salesmen, who are new to the job.
11. As the remuneration of the salesmen under this method does not depend upon the volume of sales made by them, the salesmen will not be reckless in increasing their sales by selling to every customer on credit. That means, there will not be much bad debts.
12. It tends to eliminate or reduce high-pressure selling, i.e., pushing items which are not needed by the customers. That means, this system safeguards the interests of the consumers also.
13. It promotes team-spirit and co-operation among the salesmen in the case of joint sales.

14. It helps the firm to direct the activities and efforts of the salesmen towards the creation of markets (i.e., creation of new customers), undertaking of window display, store demonstration etc.

Disadvantages

However, this method is not free from defects. It suffers from the following defects:

1. It does not provide any incentive for hard work. So, it does not encourage salesmen to do hard work.
2. Under this system, rewards are not balanced with efforts.
3. It does not distinguish between efficient and inefficient salesmen, as the same remuneration is paid to both efficient and inefficient salesmen.
4. Under this method, there is no direct relationship between sales revenue and selling costs.
5. As salesmen's remuneration is not related to the volume of sales made by them, this method imposes a serious burden on the earnings of the firm.

2. Straight Commission Method

Features

Under this method, no fixed monthly salary is paid to a salesman. Only a certain percentage of commission is paid to him on the volume of sales effected by him. That means, under this method, remuneration is paid to a salesman on the actual sales made by him and not on the basis of the time spent by him. The commission may be paid at a fixed rate on the total volume of sales effected by the salesmen or on the sliding scale principle, under which the rate of commission increases with increase in the volume of sales, say, a commission of 5% on sales up to Rs. 25,000, a commission of 8% on sales over Rs. 25,000 up to Rs. 50,000, a commission of 10% on sales over Rs. 50,000 up to Rs. 75,000 and so on. The rate of commission may, sometimes, be fixed, not on the value of sales made, but on the

total quantity of goods sold. Again, the rate of commission may also differ from one product to another.

Suitability

This method is commonly adopted by concerns dealing in automobiles, office appliances, operating supplies, basic raw materials like chemicals, leather, iron ore, dry fruits, fresh vegetables, etc.

Advantages

This method has some benefits. They are:

1. This method also is simple, and it can be easily understood by all types of salesmen.
2. The cost of calculation and administration of the wage scheme is low.
3. There is a direct relationship between the reward and the sales made by the salesmen.
4. It gives greater incentive to the salesmen to increase their sales, as they can increase their incomes by increasing their sales.
5. It distinguishes between efficient and inefficient salesmen by rewarding the efficient and penalizing the inefficient.
6. It is attractive to the talented, energetic and ambitious young men.
7. Under this method, the costs of sales can be estimated in advance on the basis of the budgeted sales.
8. Under this method, the sales costs are matched with sales.
9. It helps in securing the services of salesmen who cannot be held as permanent staff.
10. As the reward of the salesmen is based on their own efforts, the salesmen need not be at the mercy of the management, i.e., the sales manager.

Disadvantages

This system also is not free from drawbacks. Its main defects are:

1. The salesmen are not assured of any living wage. As such, if no sales are effected by a salesman, no remuneration is paid to him. That means, this system does not provide any sense of security to the salesmen.
2. There is no uniformity in the earnings of the salesmen of the same cadres under this method.
3. As the remuneration of the salesmen under this method depends upon the volume of sales effected by him, the salesmen may resort to high-pressure selling, which is harmful to the customers and also to the firm in the long run.
4. As the salesmen's remuneration depends upon the volume of sales, the salesmen may be reckless in increasing their sales. This reckless selling by the salesmen may lead to more bad debts.
5. It does not give the management enough control over the salesmen, as the reward of the salesmen depends upon their own efforts, and so, they need not be at the mercy of the management.
6. This method may encourage the salesmen to attend to only ready customers (i.e., the existing customers) and ignore new and potential customers.
7. This method is not suitable for the sales of goods which require after-sales services, as it gives importance to immediate sales and not to continued patronage.
8. This method may turn out to be unfavourable to the salesmen in times of depression when sales decline due to factors beyond the control of the salesmen.
9. This system may lead to disputes between the management and the salesmen when there are fluctuations in the volume of sales.

Differences between straight Salary Method and Straight Commission Method

The major differences between the straight salary method and straight commission method are:

1. Straight salary method is based on the time spent on the job, and not on the volume of sales effected by the salesmen. But straight commission method is based on the sales effected by the salesmen, and not on the time spent on the job.
2. Straight salary method can be used under any circumstance, whereas straight commission method can be used only in cases where the sales made by the salesmen can be measured.
3. Straight salary method assures a minimum income to the salesmen. But straight commission method does not assure any minimum income to the salesmen.
4. Under the straight salary method, salesmen's rewards are not matched with their efforts. On the other hand, under the straight commission method, salesmen's rewards are matched with their efforts.
5. Straight salary method does not provide any incentive to the salesmen to do hard work. But straight commission method provides sufficient incentive to the salesmen to do hard work.
6. Straight salary method does not distinguish between efficient and inefficient salesmen. But straight commission method distinguishes between efficient and inefficient salesmen.
7. Straight salary plan gives the management sufficient control over the salesmen. On the other hand, straight commission method does not give the management sufficient control over the salesmen.
8. Under the straight salary method, sales costs are not matched with the sales. But under the straight commission method sales, costs are matched with sales.

9. The cost of administration of straight salary plan is less than that of straight commission plan.

3. Salary and Commission Method

Features

Under this method, a salesman is paid a fixed salary at the end of every month. In addition to the fixed monthly salary, he is also given commission on the sales effected by him. The commission may be given either at a fixed percentage on the sales made by him or on the sliding scale principle. Again, the commission may be paid either on the entire sales made by the salesman or only on the sales in excess of the quota of sales fixed for the salesman.

Suitability

This method is suitable in cases where the sales effected by a salesman can be measured.

Merits

This system enjoys certain merits. The main merits are:

1. This method assures a certain minimum income to the salesmen. This creates a feeling of security in the minds of the salesmen.
2. The commission given under this scheme provides sufficient incentive to the salesmen to increase their sales.
3. It is a via media or golden mean between the two extreme schemes of remuneration, viz., the straight salary method and the straight commission method.
4. It distinguishes between efficient salesmen and inefficient salesmen.
5. It is simple to be understood by any salesman.
6. It is easy to work out and administer this scheme of remuneration.
7. The management will be able to exercise adequate control over the salesmen under this method.
8. Under this system, reward is well balanced with sales efforts.

9. This method benefits both the employer and the salesmen, as the salesmen's remuneration is matched with their sales efforts.

Disadvantages

The main disadvantages of this method are:

1. It is very difficult to fix the minimum salary.
2. If the minimum salary is too low and the chances of earning commission are not bright, this method may not be of much help to the salesmen. On the other hand, if the salary is too high and the commission is paid only on the sales in excess of the quota, the salesmen may not care to put in more efforts to increase their sales to earn commission.

4. Salary and Bonus Method

Features

Under this method, the salesmen are given a fixed salary at the end of every month according to certain scale. Besides the fixed monthly salary, they are also given a bonus. The bonus is an extra monetary reward given to the salesmen at the end of a specified period, say, quarterly, half-yearly or annually. The bonus may be paid at a certain percentage on the salary earned by the salesmen during the specified period or at a certain percentage of the profit made on the sales or at a certain percentage on the sales effected by the salesmen over the sales quota fixed or on the basis of point system.

Merits

The chief merits of this system are:

1. It assures certain minimum income to the salesmen.
2. The bonus acts as an incentive to the salesmen to do hard work.
3. It helps the management to have adequate control over the salesmen.

Demerits

The main drawbacks of this method are:

1. The cost of administration of the salary scheme is more under this system, as it involves complicated record-keeping and calculation.
2. This system does not establish direct relationship with the reward and selling efforts.
3. If the bonus is paid at a certain percentage of the salary, then, it does not distinguish between efficient salesmen and inefficient salesmen.
4. As the bonus is paid only at the end of a specified period, the incentive given is not as attractive as the straight commission method or salary and commission method.

5. Salary, Commission and Bonus Method

Features

Under this method, the salesmen are paid a certain minimum amount of salary every month. Besides the monthly salary, the salesmen are also given commission at a certain percentage on the sales effected by them or on the sales effected by them over the specified quota. In addition to salary and commission, they are also given some bonus.

Merits

The chief merits of this method are:

1. It assures a certain minimum income to the salesmen.
2. The commission and the bonus paid to the salesmen act as sufficient inducement to them to work hard.
3. As the commission and the bonus paid to the salesmen are based on the sales effected by the salesmen, this system distinguishes efficient salesmen from inefficient salesmen.
4. It helps the management to have some control over the salesmen.

Demerits

The chief demerits of this system are:

1. This system is costly, as it involves complicated record-keeping and calculation.
2. This system does not establish a direct relationship between the salesmen's rewards and their selling efforts.

6. Profit Sharing Method

Features

Under this method, a portion of the disposable profits of the firm is given to the salesmen as reward either as basic remuneration or as supplementary to the basic remuneration. The amount of profit disbursed to the salesmen may be calculated either on the basis of the overall profits of the firm or on the basis of the profits earned on the sales effected in a given sales territory.

Merits

The important merits of this method are:

1. If the profit sharing plan is supplementary to the basic plan of remuneration, it provides sufficient incentive to the salesmen to do hard work.
2. It promotes the sense of belonging and loyally to the concern.

Demerits

The chief demerits of this system are:

1. If the profit-sharing plan is a basic remuneration plan, it is not sufficiently attractive to the salesmen.
2. Under this scheme, the earnings of the salesmen fluctuate, as their earnings depend upon the amount of profits earned by their firm.

Supervision and Control of Salesmen

After the training of the salesmen is over and the salesmen are put to field work, the sales manager is confronted with the work of supervision and control of the salesmen so as to extract good work from them.

Meaning of Control of Salesmen

Control of salesmen is the process of establishing the standards of performance for the salesmen, measuring their performances, interpreting it and taking corrective actions, wherever necessary, so as to improve their performance. In other words, it is the act of directing, guiding and checking the salesmen so as to ensure that every activity of the salesmen occurs in accordance with that envisaged in the sales plan.

Need for Control of Salesmen

Control of the salesmen is very essential for a sales organization to achieve maximum results. Supervision and control of the salesmen is absolutely necessary so as to secure the most economical and efficient performance from the salesmen. The need for effective control of the salesmen is all the greater, especially when there are a large number of salesmen, working in different places far away from the sales manager. The need for effective control of the salesmen is necessary for the following reasons:

1. The salesmen are human beings, and so, are subject to human weaknesses. There are some salesmen who are devoted, and in their case, there is no need for any control. But there may be some salesmen who are indifferent and are not devoted to duty. They may not work properly unless there is an effective control. So, control of salesmen, sometimes, becomes necessary, to make them disciplined and responsible and to extract good performance from them.
2. Control of the salesmen is necessary so as to improve the efficiency of the salesmen.
3. For the success of sales campaign, there should be effective coordination and correlation of the efforts and activities of the salesmen. Further, the efforts and activities of the salesmen must be co-ordinated with other sales efforts, such as advertising, sales promotion, etc. The need of the co-ordination and correlation of the efforts and activities of the salesmen becomes all the greater, especially when there

are a large number of salesmen working independently at a great distance from the sales manager.

4. Control of the salesmen is also necessary to make them maintain proper and cordial relations with the public.

Advantages of Control of Salesmen

Control over salesmen results in many benefits. They are:

1. It helps to increase the efficiency of the sales force and contributes to increased sales.
2. It avoids or minimizes the complaints from the customers. In other words, it makes the salesmen maintain proper relations with the public.
3. It contributes to economy in sales expenses.
4. It contributes to the achievement of co-ordination and correlation of the activities or efforts of the salesmen.
5. It contributes to the elimination of superfluous sales operations.

Pre-requisites for Effective Supervision and Control of Salesmen

No doubt, control of salesmen is beneficial to any sales organization. But control of salesmen will be beneficial only when it is effective. In other words, to achieve its objectives, supervision and control of the salesmen should be effective.

Effective supervision and control pre-supposes the satisfaction of certain conditions. In other words, certain conditions are required to be satisfied for the maintenance of effective supervision and control over the salesmen. Those conditions are:

1. The sales manager (who is confronted with the problem of control of salesmen) should know what exactly he expects the salesmen to do.
2. The salesmen should be given a clear idea of what they are required to do.
3. The sales manager should know (i.e., should be able to see) that the salesmen are doing what they are required to do.

4. The salesmen should be made to know that the sales manager knows what all they do (i.e., all their sales activities).
5. The salesmen should also be made to know that their good work is always appreciated by the sales manager.

The first condition can be satisfied by fixing 'sales quotas' for individual salesmen. The second condition can be fulfilled through proper training and instructions. The third condition can be met by insisting upon and receiving periodical reports and returns from the salesmen. The fourth and fifth condition can be fulfilled through personal talks between the sales manager and the salesmen either individually or collectively, and also through reports and returns from the salesmen to the sales manager and the sales manager's replies to these reports and returns.

Different aspects of Control of Salesmen

Control of salesmen has three main aspects. They are:

1. Directing the activities of the salesmen in such a way that they fit into the general marketing plan of the concern.
2. Analysis of the salesmen's results, (i.e., performance) so as to ensure the achievement of the pre-determined standard of efficiency in their performance, and to determine the ratio of selling expenses to total sales.
3. Actual supervision of and guidance to individual salesmen, whenever necessary.

The first aspect refers to the duty of the sales manager to direct the activities of the salesmen in accordance with the marketing (i.e., sales) plan of the firm. For this purpose, sales territories are allotted to individual salesmen, and their routes are planned. The salesmen are also given a clear idea of the amount of efforts they should put in to sell a particular line of products to new customers and to existing customers.

The second aspect relates to the duty of the sales manager to verify (i.e., see) that each salesman is doing what is expected of him. This is done by comparing the sales effected by each

salesman with the sales quota assigned to him. An analysis of his sales records will be helpful in determining failures, if any.

The third aspect refers to the remedial measures to be taken by the sales manager to rectify the failures of the salesmen, and to improve their efficiency. This is done by observing the actual working of the salesmen and helping them by instructions and guidance in improving their selling techniques.

Methods of Control over Salesmen

Control over the salesmen may be exercised in many ways. The various methods of control over the salesmen are:

1. Personal Contact, Inspection or Personal Control

Personal contact, inspection or personal control is the oldest method of control. It is also one of the most important and effective methods of controlling the salesmen. Under this method, personal control is exercised over the salesmen. That is, the work of the salesmen is checked by the sales manager himself, in the case of smaller organizations. However, in the case of larger organizations, personal control over the salesmen is exercised by regional, divisional, district or branch managers. The regional, divisional, district or branch managers check and control the salesmen working under them in their own area. Besides, there may also be supervisors or inspectors to check the salesmen's work and to control the salesmen through personal contact.

This method is, no doubt, an effective method of control. But it is very expensive. Further, as the organization grown in size and more and more salesmen are employed in more scattered and wider areas, it becomes very difficult to exercise effective control over the salesmen through this method. (However, the latter difficulty can be overcome by appointing more field supervisors and by having a small area for each field supervisor).

2. Control through Correspondence

Control over the salesmen can be exercised through correspondence. This is one of the most commonly used methods of control. Under this method, letters are written by the sales

manager to the salesmen periodically and information about their performance is obtained from the salesmen and on the basis of the information received, instructions and suggestions are given to the salesmen periodically through correspondence (i.e., letters) for the improvement of their performance.

No doubt, this method is one of the commonly used methods. But this method will be quite effective only when it is used as a supplement to the personal control or personal contact method.

3.Establishing Control through Reports and Returns

Control over the salesmen may also be exercised through report and returns from the salesmen. Under this method, salesmen are required to send reports and returns to the sales manager, periodically say, daily, weekly or monthly, depending upon the requirements. (The reports and returns may be oral or written. But written reports are preferable). The reports contain information regarding:

a. The number of calls made (with relevant details about each call).
b. The total volume and value of sales effected.
c. The number of new customers contacted and sales made to them.
d. The number of old customers lost and the reasons for the same.
e. The sales expenses incurred.
f. (Credit) collection of bills made from the customers.
g. Complaints from the customers.

The reports also contain information regarding:

a. Competition in the market.
b. Changing requirements of the market.
c. Effectiveness of the advertising and other sales efforts.

The reports and returns are analysed and the salesmen's performance is evaluated. Based on the analysis and interpretation

of the salesmen's performance, necessary instructions and suggestions are given to the salesmen for improving their performance in future.

4.Fixing Sales Territories and Sales Quotas

Fixation of sales territories and sales quotas is one of the methods of controlling the salesmen.

Sales Territories

A sales territory refers to a geographical area assigned to a salesman for the purpose of marketing the products of his concern. Generally, a firm divides the markets into specific geographical zones or areas and assigns to each salesman a specific zone in which he has to carry out his selling activities. The specific geographical zone or area assigned to a salesman becomes his sales territory.

The allocation or division of sales territories among the salesmen is based upon several considerations or factors, such as the nature of the product, the potential demand for the product in the area, the extent of competition present in the area, transport and communication facilities available, channel of distribution, types of customers, the capacity of the salesmen, the types of customer services required to be provided, the sales expenses ratio, etc.

The allocation of sales territories is often followed by the planning of the route which the salesman should follow within his sales territory. The planning of the route involves the determination of places to be visited, the number of customers to be interviewed and the number of calls to be made every day by the salesman.

The allocation of sales territories is quite helpful to the firm in evaluating and controlling the activities of each salesman more effectively by defining their responsibility very clearly. It is useful not only as a method of controlling the salesmen, but also for tapping fully the market potentiality of each territory. Again, it is helpful in planning the sales efforts of the salesmen and avoiding duplication and overlapping of salesmen's efforts. Above all, it also provides incentives to the salesman to increase the sales in his territory. It even helps to reduce the sales expenses.

Sales Quotas

Sales quota means the estimated volume of sales that a company expects a salesman to secure within a definite period of time in his sales territory. In other words, it is the amount of business the sales manager has fixed for every salesman. In short, it is the target of sales or standard of performance laid down by the sales manager for each salesman. The sales quota may be fixed in terms of value or in terms of unit of sales. Again, it may be fixed for a day, a week or a month.

Fixation or establishment of sales quotas is very helpful to the firm. It establishes the standard of performance for each salesman. It is also an effective means of controlling the activities of salesmen. It infuses the spirit of competition among the salesmen to increase sales.

5. Defining Salesmen's Authority

The activities of salesmen can be controlled effectively by defining clearly the authority or powers of the salesmen. No doubt, the price lists and catalogues determine the maximum limit (i.e., put a limit) on the authority of the salesmen. But, usually, the sales manager allows to the salesmen certain amount of freedom in matters relating to granting of credit facilities, rate of discount, pre and after-sales services, settlement of claims, etc. If such freedom is given to the salesmen, to have effective control over the salesmen, the sales manager should see that the salesmen act in these matters according to his (i.e., sales manager's) instructions and subject to his final sanction.

6.Through Suitable Remuneration Plans

The type of remuneration plan also helps to a great extent in controlling the salesmen. For instance, the straight salary scheme of remunerating the salesmen is quite helpful to the sales manager in exercising greater control over the salesmen, in the sense that, under this salary scheme, the future promotions, increments, transfers, etc. of the salesmen depend on the recommendation of the sales manager. This makes the salesmen to be more responsible and duty-bound. On the other hand, the straight

commission plan will not be useful in having effective control over the salesmen, as, under this plan, the salesmen are not at all at the mercy of the sales manager. Thus, the nature (i.e., type) of remuneration plan also determines the extent of control that can be exercised over the salesmen.