

Personal Selling And Salesmanship

Unit=1

Introduction to Personal Selling

(1) What do you mean by Personal Selling?

Answer= Personal Selling is an age-old art of selling goods. Personal selling has gained great importance in the modern era of technological development and highly competitive markets.

According to D.D. Couch, "Personal Selling is the science of creating in the mind of your prospective customers, a desire that only possession of your product will satisfy".

Thus, Personal selling is a face- to –face contact between the salesman and the prospect; through which the salesman persuades the prospect , to appreciate the need for the product canvassed by him with the expectation of a sales- transaction, being eventually materialized.

(2) What do you mean by Salesmanship?

Answer= Salesmanship is a skill used by a salesperson in personal selling. It is an art of face- to- face communication between a seller and a buyer where the seller uses his persuasion skills to encourage the buyer to make the final purchasing decision.

According to Holtzclaw," Salesmanship is the power to persuade plenty of people to pleasurable and permanently purchase your product at a profit".

Thus, salesmanship is the process of persuading a person to buy goods or services.

(3) What are the nature/ features of Personal Selling?

Answer= Following are the features of Personal Selling:

- a) **Personal Attention:** Personal selling focuses on personal problems of customers. It is comparatively more effective and result- oriented.

- b) Two- Way Communication:** Personal selling is the best tool for two-way communication. Salesperson can provide necessary information to customer about company's offer and can also collect information from customer.
- c) Flexibility:** Sales talks and presentations can be adjusted according to situation to suit to individual nature, motives and problems.
- d) Individual Services:** salesmanship offers individual services. It can meet personal expectations and choices of buyers. It leads to customer satisfaction.
- e) Detail Demonstration:** In personal selling, salesperson can provide a detail demonstration and can supervise when customer is making the actual use of products.
- f) Immediate Feedback:** This is the only market promotion technique that provides an immediate feedback. At the end of every call or visit, a salesperson can easily judge whether the customer is interested or intended to buy.
- g) Improving image:** Personal Selling can remove bad image or misunderstanding by highlighting company's achievements and offers. The detailed explanation about company and its products removes all doubts and misunderstandings .
- h) Customer Confidence:** A capable salesperson can remove all doubts, queries and objections and misunderstandings and can win customer's confidence by systematic sales talk and presentation.

(4) Explain the need/ importance of Personal Selling.

Answer: Following are the need/ importance of Personal Selling:

- a) Demonstration of Product:** Certain product requires demonstration for the purposes of explaining their use, manner of their handling and the precautions required in using them to the prospects. The requirement for product demonstration can be met through personal selling .
- b) Illiterate Prospects:** Illiterate prospects could not be expected to appreciate the need and utility for a product- just through advertising. Salesmen are needed to approach such illiterates prospects who could explain the usefulness of the products to them, in a convincing style.

- c) **Emergence of New Product:** In case of entirely new types of products, salesperson is appointed by the producer to publicize such new products to prepare a base for demand creation. Then, through subsequent advertising , by the manufacturer , demand base is further expanded.
- d) **Relationship Development:** Personal selling helps a manufacturer to develop good relations with prospects. Development of relations with customers is not possible through advertisement alone. This factor again necessitates personal selling and accounts for its survival in the present –day times.
- e) **Source of Marketing Research Data:** Salespersons have interactions with customers , prospects and dealers. Thus, they are able to provide valuable data to the manufacturer about market trends , consumer preferences , degree of market competition, etc. which are utilized for marketing research purposes.
- f) **Removal Of Misconceptions:** In the modern marketing world, competitive advertising has become so aggressive that one competitor would not hesitate in defaming the products of others for the sake of building a reputation for his own product. A manufacturer, through personal selling can plan to remove such misconceptions from the minds of the prospects that are caused by competitive advertising by making them aware of true facts and merits of his products through his own salesperson.
- g) **Traditional Necessity:** There are some products, where advertising is not usually done may be due to the technical or specialized nature of products or for some other reasons. In cases of such products , personal selling is necessitated to meet the requirements of tradition prevalent in particular trades.

(5) Explain the process of Selling.

Answer: The process of Selling involves the following steps:

- a) **Prospecting:** A salesman has to serve the customer and must identify a customer's problems and prescribe a suitable solution.
- b) **Pre- approach:** After locating a prospect, salesman should find out his needs and problems , his preferences and behaviour, etc. The

product may have to be tailored to the specific requirement of customer.

- c) **Approach:** Approach means meeting of the salesman and prospect in person. It involves meeting the prospect in person by the salesperson. It means coming in to direct contact with the prospects.
- d) **Presentation and Demonstration:** After the salesman has found a prospect and he has matched the customer's wants with his product, he becomes ready to make a sales presentation.
- e) **Handling of Objections:** At any stage of sales interview, the prospect may attempt to postpone the purchase or resist purchase. A good salesman must consider an objection as an indication of how the prospect's mind is working.
- f) **Closing the Sale:** The close is the act of actually getting the prospects' consent to buy. It is culmination of the efforts so far made by the salesman and is the climax of the entire sales process.
- g) **Post Sale Activities:** This stage is the post sale contacts. The salesman after obtaining the order, arranges for dispatch and delivery of the product, facilitate grant of credit, reassure the customer on the wisdom of his purchase decision, and minimize dissatisfaction, if any.

(6) Discuss the myths associated with Personal Selling.

Answer: There are the certain myths associated with personal selling that affect the perception of a salesperson during the entire process of personal selling:

- a) **Anyone can be a buyer:** The first myth about personal selling is related with the buyers. It is not right to think that each customer may buy everything.
- b) **Price is the most important criteria for buying a product:** There is no denying fact that price plays an important role in making any purchase decision but not always a primary factor. There are many exceptions to this assumption.
- c) **Same sales technique will work for everyone:** All customers are different individuals, hence they are driven by different needs,

motivations and goals. Hence, a single sales strategy may not be helpful for everyone.

- d) **Finish the selling process as soon as possible:** This myth is guided by the selling concept where the selling of unit is more important than customer satisfaction. However, in today's time the swiftness in closing the deal may not help much as in case of any dissatisfied consumers as they may use social media to spread the negative word of mouth.
- e) **Explore everything to close the sale:** It is unethical on the part of seller to misrepresent the facts or misinform about the product quality or capabilities of the product to the consumers just to increase the sales number or match the sales quota.
- f) **Fake it, fill it and make it:** The long term goal of every salesperson should be establishing relationship with its customer rather than just seeing a buyer as an account. So, sales representative should not hide any fact from the customer just for closing the deal.
- g) **A customer "no" is "never" :** A salesman should not be disheartened after hearing a "no" from the customer. Rather, he should try new ways to address the customer struck points and find new ways to pursue them more.
- h) **Sales is all about numbers:** Sales in the quantifiable number is the most important. Though, numbers are important but they are not the only thing.
- i) **Extrovert salesperson performs better than introvert one.**
- j) **The Customer is always right.**

(7) Distinguish between Personal Selling, Salesmanship and Sales Management.

Answer: Following are the points of distinctions between Personal Selling, Salesmanship and Sales Management :

Basis	Personal Selling	Salesmanship	Sales Management
1. Meaning	Personal selling is an act of engaging with customers to persuade them to buy the product.	It is an act of being employed as a salesperson. Salesmanship is an art and skill of initiating selling efforts.	Sales management is an act of planning, controlling, directing and coordinating the sales process.
2. Flexibility	It is most flexible as the messages could be changed according to the customer's needs.	It is comparatively less flexible than personal selling.	It is least flexible as the rules and policies are formed and followed strictly.
3. Reach	Only one or two customers can be dealt in one time.	Only a limited number of persons can be contacted.	It reaches to masses in the form of advertising and other marketing communications.
4. Cost per person	Cost per person is high as limited persons can be reached at a given time.	Cost is comparatively lower than personal selling.	Cost per person is very less.
5. Coverage	It takes a long time to cover the market.	It takes comparatively less time to cover the market.	It takes medium time to cover the market.
6. Media	It does not make use of mass media.	Makes comparatively less use of mass media.	Makes use of mass media.
7. Feedback	Direct feedback can be collected from customers.	Indirect feedback can be collected.	Feedback is not possible because customers are not involved.
8. Usefulness	More useful for industrial and customized product.	More useful for a technical product.	Useful for all kinds of product.
9. Scope	Personal selling is a part of sales management and the scope of personal selling is narrower than sales management.	Salesmanship is included under personal selling.	Sales management has a broader scope as it guides both personal selling and salesmanship efforts.

Unit-2

Salesmanship

(1) What are the different types of selling situations?

Answer: The following are the different types of selling situations:

- a) Retail Selling Situation:** An individual retailer is the last person in the distribution channel to make products available to the buyer. Advertisements and promotions attract people but the ultimate sale depends on the salesman at the counter.
- b) Service Selling Situation:** This situation is related to obtaining sales from existing customers whose habits and patterns of thoughts are already known to the seller. Comparatively, less efforts is required to satisfy this type of customer.
- c) Developmental Selling Situation:** In this type of situation, a salesman tries to convert prospects into customers. It requires creativity by the salesperson to persuade the customer. It includes creative salesperson of tangibles and creative salesperson of intangibles.
- d) Wholesale Selling Situation:** The wholesalers calls on retailers , dealers at regular interval and helps retailers and dealers in selection of goods and services and advice them on various matters.
- e) Product- oriented Selling Situation:** Selling situation also changes with the nature of the product. Products at different stages of life cycle, with a different value and with different technical nature require customized efforts in sales.
- f) Competition Oriented Selling Situation:** There is a cut- throat competition in the market. Every company wants to grab more and more market share. Also, there is a competition between the salesperson within the company's sales force. The salesperson tend to convince the customer at any cost in order to stay ahead of another salesperson.
- g) Customer behaviour Oriented Selling Situation:** Different buyers have different income level, social status , occupation, personality, payment options, etc. All these factors affect the buying behaviour of a person.

(2) What are the characteristics/ features of a good salesman?

Answer: Following are the features of a good salesman:

- a) **Personality:** A good salesman should possess a good personality. What fragrance is to a flower, is personality to an individual. A charming personality always creates a good impression. He should possess good health, attractive appearance and impressive voice.
- b) **Cheerful Disposition:** He should have a smiling face. It is rightly said that a man without a smiling face must not open a shop. In order to impress upon the customers, he should always be cheerful and sweet tempered.
- c) **Mental Ingredients:** An individual cannot be a successful salesperson unless he possesses certain mental qualities like imagination, sound judgement, presence of mind, initiative and strong memory. These qualities are of great help to a salesperson in dealing with customers having different nature and temperament.
- d) **Courtesy:** A salesman should always be polite and courteous towards his customers. It costs nothing but wins permanent customers for the product.
- e) **Patience and Perseverance:** A salesman comes across different type of customers. Some of them purchase nothing but waste time by asking irrelevant questions about the products. Under such situations, he should not lose temper but give patient hearing to the customers.
- f) **Complete Knowledge:** A salesperson should clearly know about himself. He should try to find out his limitations and make constant efforts to overcome them. At the same time, he should know his strong points.

(3) What are the differences between Salesmanship and Advertisement?

Answer: Following are the differences between Salesmanship and Advertisement:

Basis	Salesmanship	Advertisement
(a) Meaning	Salesmanship means personal selling under	Advertisement is non-personal form of

	which salesman has face to face contact with the prospective buyer	communication. There is no contact between the advertiser and buyer.
(b) Impact	The impact of personal selling is visible on the people who come in contact with the salesperson.	The impact of advertising is widespread depending upon the media coverage used.
(c) Media	There is face to face communication involving oral and general communication.	A large number of media are used such as newspaper, youtube, facebook, magazine, etc.
(d) Objective	The objective of salesmanship is to achieve sales by satisfying customers.	Advertisement has multiple objectives such as enhancing sales, creating company's and product's image, fighting competition, etc.
(e) Message	The message is specific in each sales and presentations	The message is same for all those who come across with a particular media of advertisement.

(4) What are the different types of Salesperson?

Answer: Salesperson can be divided into the following categories depending on their role in the sales:

- 1) On the Basis of organization:** There can be 3 such institutional arrangements namely manufacturers , wholesalers and retailers.
 - (a) Manufacturers' Salesmen:** In case of manufacturers' organization, there are 3 types of salesmen namely pioneer, dealer service and merchandising.

(i) Pioneering Salesmen: They are the salesperson who are known for missionary work in sales. They introduce a new product or product line in the market place by being creative in their efforts.

(ii) Dealer – Servicing Salesmen: These salesmen are also known as ‘Order Collector’ or ‘Order- takers’ because they resell and render service to the wholesalers , distributors and retailers by more performing representative work than creative one.

(iii) Merchandising Salesmen: These salesmen are also called as sales promoter’s ‘detailers’ because they are known for gathering information regarding changing market conditions, extensive counseling to middlemen and influencing the sales volume favourably.

(b) Wholesaler’s Salesmen: Wholesalers as they are the major link between the manufacturers and retailers , employ good number of effective and efficient salesmen to work for him. Here, salesmen act as the representative of the wholesaler between the manufacturers and the retailers.

(c) Retailer’s Salesmen: Retailers ,as the last link in the chain of distribution , also employ 2 types of salesmen namely indoor and outdoor. These are alternatively known as counter and travelling salesman.

(2) On the basis of goods sold:

(a) Staple Salesmen: Staple Salesmen are those who are employed in selling staple goods. Staple goods are those goods which are needed by consumers for regular consumption .

(b) Specialty Salesmen: Specialty Salesmen are those who specializes in selling speciality goods such as TV sets, cars, fridges, etc.

(3) On the basis of service rendered:

(a) House to House Salesmen.

(b) Missionary Salesmen.

(c) Service Salesmen.

(d) Exporter’s Salesmen.

(5) Explain about the career opportunities in selling.

Answer: A career in sales involves selling products and services by highlighting how a customer can benefit from making a purchase. This

satisfying and interesting career path has many benefits for people with the right personality and attitude , including:

- a) Accessibility:** Most sales positions have a low entry barrier and do not require specialized training or college education to get started.
- b) Earning Potential:** Salesperson usually earn a commission based on how much they sell, creating a high earning potential for talented people who are willing to work hard.
- c) Work-life balance:** Salespeople can often set their own schedules , especially if they work based on quota system that require them to make a certain number of sales in a period of time. Once they meet that requirement, any additional sales are simply extra commission , and they can work as much or as little they like.
- d) Growth Potential:** There are ample professional development opportunities for salespeople and companies often pay for their salespeople to receive additional training.
- e) Transferrable skills:** Salespeople learn many soft skills that can be applied to any other profession , making sales one of the most versatile careers one can choose.
- f) Travel:** Travel can be an integral part of sales as companies explore different markets and network with other businesses and customers. People who enjoy travel can see different parts of the world through a sales career as they visit customers and business partners.
- g) Networking:** Sales are one of the most social professions one can choose by making it a great field for growing in professional network. Salespeople develop the ability to seek out leads in any situation , enabling them to make lasting connections with many different people.
- h) Competition:** Sales can provide an interesting and exciting challenge for people who thrive in competitive environments. Bonuses for top performers are common in sales department and can create a fun atmosphere of rivalry that encourages everyone to do their best.

(6) Discuss the measures for making selling/ sales an effective career.

Answer: Following measures can be adopted to make sales an attractive career:

- a) Establish trust with the buyer: Buyers like to do business with people they trust. Good salesperson view their ability to establish trust with their buyer as a core sales skill.**
- b) Use psychology to engage the buyer: There are a variety of psychological techniques we can use to create deeper engagements with our target buyers. One effective tip is to make sure that customer knows we won't take too much of their time.**
- c) Communicate succinctly: Buyers often value how information is presented more than the information itself. A good rule is to never try to communicate more than 3 important points in a single conversation with a buyer.**
- d) Act on what the customer is saying: The best salespeople take action based on what they hear from their customer. It's not enough to just listen, we need to internalize what the buyer has said and then do something about it.**
- e) Help prospects: Buyers don't want to be closed, they want to be helped. That's why 'always be helping' is new 'always be coming'.**
- f) Use a variety of marketing skills: Salesperson with advanced marketing skills tend to fare well. For e.g. , content selling is an important skill that salesperson can use to move the buyer through the buying cycle.**
- g) Use technology: Many sales organization use technology to become more efficient and shorten the length of the average sales cycle. Salesperson who can use technology to become more productive have a significant advantage over their competitors, as they are able to spend more time selling.**
- h) Be socially active with target buyers: Social media has given rise to the field of social selling. A lot of salesperson view their participation on Facebook, Twitter and LinkedIn as one of the more effective sales skills. Some of the best salesperson do things like organize dinners for groups of buyers they are interested in getting to know.**

(7) Write the difference between Salesmanship and Sales Management.

Answer: Following are the differences between Salesmanship and Sales Management:

Basis	Salesmanship	Sales Management
(a) Meaning	It is an act of being employed as a salesperson. Salesmanship is an art and skill of initiating selling efforts.	Sales Management is an act of planning, controlling, directing and coordinating the sales process.
(b) Flexibility	It is more flexible than Sales management.	It is less flexible as the rules and policies are formed and strictly followed.
(c) Reach	An only a limited number of persons can be contacted.	It reaches to masses in the form of advertising and other marketing communications.
(d) Cost per person	Cost is comparatively lower than personal selling.	Cost per person is very less.
(e) Coverage	It takes comparatively less time to cover the market.	It takes medium time to cover the market.
(f) Media	Makes comparatively less use of mass media.	Makes use of mass media.
(g) Feedback	Indirect feedback can be collected.	Feedback is not possible because customers are not involved.
(h) Useful for	More useful for a technical product.	Useful for all kinds of product.
(i) Scope	Salesmanship is included under personal selling.	Sales management has a broader scope as it guides both personal selling and salesmanship efforts.

Unit-3

Buying Motives

(1) What do you mean by motivation?

Answer: The word motivation has been derived from the Latin word 'movers' which means to move. Motivation may be regarded as something which prompts, compels and energizes an individual to act or behave in a particular manner at a particular time for attaining some specific goals. Motivation is the driving force that inspires people to put their efforts willingly for the achievement of organizational goals.

According to Flipppo, " Motivation is the process of attempting to influence others to do your will through the possibility of gain or reward".

(2) Discuss the nature/ significance / importance of motivation.

Answer: Following are the nature/ significance of motivation:

(a) High performance: The motivation improves the efficiency level of employees which means the employees start performing the job to the best of their ability with minimum wastage of time and resources because motivated employees always go for the best utilization of resources.

(b) Better Organizational Image: Those organization which offer better monetary and non-monetary facilities to their employees having a better image among them. Such concerns are successful in attracting better qualified and experienced persons.

(c) Better Industrial Relations: A good motivational system will create job satisfaction among employees. The employees will try to contribute their maximum and management will offer better service conditions and various

other incentives. There will be an atmosphere of confidence among employers and employees.

(d) Low Employee Turnover: Good motivation helps in retaining the talented employees in the organization. It reduces the rate of labour turnover and hence saves the cost of new recruitment and training.

(e) Acceptability to Change: The changing social and industrial situations will require changes and improvement in the working of enterprises. There will be a need to introduce new and better methods of work from time to time. When the employees are given various opportunities of development then they can easily adapt to new situation.

(f) Better Utilization of Resources: Motivated workers would handle machines and materials properly. This would ensure their better utilization and reduce the wastage and scrap.

(g) Achieving the Organizational Goal: The motivated employees always try to achieve the organizational goal and contribute their best efforts for the realization of organizational goal as they know with the achievement of organizational goals only they can achieve their personal goal.

(h) Reduces Absenteeism: Through sound motivational system, the rate of absenteeism in an organization is reduced. Generally in an organization, the workers are absent due to bad working conditions, poor relations with supervisor or colleagues, inadequate rewards etc. all these deficiencies are covered by motivation.

(3) What is motivational research?

Answer: Motivational Research refers to the qualitative research designed to uncover the consumer's subconscious or hidden motivations. After working on this, researchers found that consumers are not always aware of the reasons for their actions. Through this, they have tried to uncover underlying feelings, attitudes and emotions related to products, service or brand to be used, etc.

(4) What do you mean by buying motive?

Answer: Buying motive is the urge or motive to satisfy a desire or need that makes people buy goods or services. Behind every purchase there is a buying motive. It refers to the thoughts, feelings, emotions and instincts, which arouse in the buyers a desire to buy an article. A buyer does not buy because he has been persuaded by the salesman, but he buys for the aroused desire in him.

(5) Critically explain Maslow's need Hierarchy theory of motivation.

Answer: Abraham Maslow offered a general theory of motivation called the 'Need Hierarchy Theory'. He felt that people have a wide range of needs which motivate them to strive for their fulfillment. Various types of human needs are discussed below:

- a) **Physiological Needs:** The physiological needs are at the top of hierarchy because they tend to have the highest strength until they are reasonably satisfied. They are the most essential things a person needs to survive. Human beings first try to acquire these basic necessities of life, only then they tend to move to the second level of needs.
- b) **Safety Needs:** In the hierarchy of needs, the second needs are safety and security needs. Once a reasonable level of physiological needs is satisfied, the human beings tend to satisfy the second level of needs which are safety and social needs. Motivation comes from the need for law, order and protection from unpredictable and dangerous conditions.
- c) **Social Needs:** After the first 2 needs are satisfied, social needs become important in the need hierarchy. Man is a social animal. He wants to belong in a social group where his emotional needs for love, affection, warmth and friendship are satisfied. This level of the hierarchy outlines the need for friendship, intimacy, family and love.
- d) **Esteem Needs:** fourth in the hierarchy of needs is ego or self esteem needs which are concerned with self respect, self confidence, recognition, applause, prestige, power and control. Esteem needs are related to person's need to gain recognition, status and feel respected.
- e) **Self Actualization Needs:** Self- Actualization is the need to maximize one's potential, whatever it may be. Self- actualization relates to the

realization of an individual's full potential. At this level, people strive to become the best that they possibly can be.

Maslow's theory has been widely appreciated:

- i. This theory is very simple, common and easily understandable.
- ii. It helps the managers in understanding how to motivate the employees.
- iii. It accounts for both inter- personal and intra- personal variations in human behaviour.

But, despite the appreciation for this theory, it has been criticized by many on the following grounds:

- i. There is lack of hierarchical structure of needs as suggested by Maslow, though every individual has some ordering for his need satisfaction.
- ii. There is a lack of direct cause and effect relationship between need and behaviour.
- iii. According to some people, the hierarchy of need simply does not exist. At all levels needs are present at given time.
- iv. Another problem with this theory is the application of some of his concepts which makes it difficult for the researchers to test his theory.

In spite of many drawbacks, Maslow's theory offers managers a good handle on understanding the motives or needs of individuals and how to motivate organizational members.

(6) Explain the dynamic nature of motivation.

Answer: Following are the detailed explanation of the nature of the dynamic theory of motivation:

- a) **Needs are never fully satisfied:** Most of the human needs are never permanently satisfied. For example, most people need continuous approval from others to satisfy their social needs. Marketers must be aware of the changing needs.
- b) **Success and failure influence goals:** Individuals set their new and higher goals, if they successfully achieve the previous ones. This means

they raise their level of aspiration . The success in the previous goals give them confidence for reaching higher goals.

- c) **Defence Mechanisms:** Some people are unable to cope with frustration, so they redefine the frustrating situation in order to protect their self image and defend their self esteem. An individual who cannot cope may react with anger toward his boss for not paying him enough money to buy a car.
- d) **Multiplicity of Needs:** A consumer tries to fulfill 2 or more needs by attaining a single goal.
- e) **Emotional:** It is believed that people who are frustrated try to visualize themselves in a desirable situation often by day dreaming and think the need to be satisfied.
- f) **Cognitive:** Sometimes, random thoughts or personal achievements can lead to a cognitive awareness of needs. In some ads the reminder is provided by the marketer, which triggers instant recognition of needs.
- g) **Needs and Goals Vary:** This is true that the needs and goals vary from an individual to individual. People with different needs may try to fulfill by selecting the same goal, whereas people with same needs may try and fulfill them by different goals.

(7) Give the classification of buying motives.

Answer: Buying motive can be divided into the following ways:

(a) Product Buying Motives: Product buying motives refer to those influences and reasons , which prompt a buyer to choose a particular product in preference to other products. Product buying motives may be sub-divided into two groups:

(i) Emotional Product Buying Motives: When a buyer decides to purchase a product without thinking over the matter logically and carefully, he/ she is said to have been influenced by emotional product buying motives.

Emotional product buying motives include the following:

- ✱ **Pride or prestige.**
- ✱ **Emulation or Imitation.**
- ✱ **Affection.**

- ✱ Comfort or desire for comfort.
- ✱ Ambition.
- ✱ Hunger and thirst.

(ii) Rational Product Buying Motives: When a buyer decides to buy a certain thing after careful consideration , he/ she is said to have been influenced by rational product buying motives. Rational product buying motives include the following:

- ✱ Safety or security.
- ✱ Economy.
- ✱ Relatively low price.
- ✱ Suitability.
- ✱ Utility or versatility.
- ✱ Durability of the product.

(b) Patronage Buying Motives: Patronage buying motives refer to those considerations or reasons , which prompt a buyer to buy the product wanted by him from a particular shop in preference to other shops. Patronage buying motives also may be sub-divided into 2 groups namely:

(i) Emotional Patronage Buying Motives: When a buyer patronises a shop without applying his mind or without reasoning , he is said to have been influenced by emotional patronage buying motives. It include the following:

- ✱ Appearance of the shop.
- ✱ Display of goods in the shop.
- ✱ Recommendation of others.
- ✱ Imitation.
- ✱ Prestige.
- ✱ Habit.

(ii) Rational Patronage Buying Motives: When a buyer patronises a shop after careful consideration , he is said to have been influenced by rational patronage buying motives. It include the following:

- ✱ Convenience.
- ✱ Credit facilities offered.
- ✱ Services offered.

- ✱ Efficiency of salesmen.
- ✱ Wide choice.
- ✱ Treatment.

(8) What are the uses of buying motives in Personal Selling?

Answer: Following are the uses of buying motives in personal selling:

- a) **Helpful in the success of a salesman:** If a salesman could evaluate and understand the buying motives of a customer, he can become successful. A salesman could provide goods and services as per the need of the buyer.
- b) **Basis of product planning and development:** The manufacturer's product decision with regard to size, colour, weight, dimension, design, etc. depends a lot on the consumer psychology which is based on information about the buying motives which is provided by salesman.
- c) **Determinants of Pricing policies:** Pricing of products and services is extremely significant because survival, growth and the profitability of an enterprise depends on the pricing. It is essential that firms should direct the salesperson to pay more attention and examine the nature of buying motives closely, so that pricing decisions can be made accordingly.
- d) **They are planks of distribution policies:** Once the salesman informs about the buying motives of the consumers to the seller, the distribution channel of an organization can be planned effectively.
- e) **Helpful in designing promotional policies:** All promotional efforts usually aim at winning the confidence of the potential buyers in favour of products or services. Once the influencing factor or the buying motives of the consumers are known, the advertisement can be directed towards appealing to those specific buying motives.
- f) **Helps in improving goodwill of the companies:** Any salesperson, after knowing the buying motives of customers, tries to fulfill his needs. As a result, the goodwill of the company automatically increases.
- g) **Important to win the confidence and loyalty to customers:** Buying motives helps a salesperson easily point out the real need of the customer. So, he plans his offering accordingly. The customers get a

feeling of being treated carefully and diligently. As a result, customer's confidence and loyalty increases about the company and salesperson.

Unit-5

Sales Report

(1) What do you mean by Sales Report? What are the contents of Sales Report?

Answer: A sales report is a comprehensive document in which information is collected in a systematic manner and which records and analyses all the sales activities of a company. A sales report indicates the various trends of company's sales volume over a period of time. A sales report also gives an overview of the state of sales activities within a company.

Following are the contents of Sales Report:

- a) Name of the company and the salesperson.
- b) Name, address and contact details of customers or prospects contacted.
- c) Products sold during the period.
- d) Reactions about the product.
- e) Date and time of report.
- f) Cost of goods sold.

(2) What are the purpose of making a sales report?

Answer: Following are the purposes of making a sales report:

- a) The performance of sales person can be evaluated by analyzing sales report.
- b) The degree of customer satisfaction can be judged by using sales report.
- c) It helps to understand the problems faced by salesperson.

- d) A sales report is helpful to evaluate the activities of competitors.
- e) A sales report identifies the various trends of the market condition.
- f) Sales reports are bases to frame sales policies and programmes.
- g) It helps to have control over selling expenses.

(3) Explain the steps to create a sales report.

Answer: Following are the steps to create a sales report:

- a) **Compilation and validation:** Collect, compile and validate all the sales data from various systems , teams and departments to ensure that the entire picture can be created.
- b) **Identification:** Identify the parameters, key performance indicators and reports which are required.
- c) **Interval:** Identify the interval for the sales report creation.
- d) **Selection:** Select the geographies or the product groups required for the report.
- e) **Decision:** Decide on the detail level based on whether the report is for senior management or not. Senior management would take less detail and more insights.
- f) **Finalization:** Finalize on the format. The format can range from dashboards to spreadsheets depending upon the detail and need of the report.
- g) **Validation:** Validate the numbers as the sales data is very critical to any business.

(4)What do you mean by order book?

Answer: An order book is a business's list of open, unshipped, customer orders, normally time – phased and valued at actual individual order prices that may include margin and profitability analysis. The term may also be refer to the book utilized in trading to maintain the outstanding orders.

(5) What do you mean by Cash memo? What are its contents?

Answer: Cash memo is documentation for cash transaction between buyer and seller. It is prepared by the seller for effecting cash sales and the same is handed over to the buyer on the purchase of goods or services. It is usually prepared with a duplicate copy.

Following are the contents of Cash Memo:

- a) Serial Number of the cash memo.**
- b) Date of the cash memo.**
- c) Name, address and details of seller and purchaser.**
- d) Details of goods including name, nature, quantity and description of the goods.**
- e) Tax charges as applicable to the respective goods and services.**
- f) Signature of the duly authorized person, mostly the seller.**

(6) What is sales manual? What are the contents of sales manual?

Answer: Sales manual is a document which is prepared to guide the sales person in the selling process. It works as guidance to the sales person by informing and educating him about the main advantages and benefits , how to sell the product and its competitors.

Following are the contents of Sales Manual:

- a) It includes mobile numbers and email address of various sources from where sales person can get additional information about the product.**
- b) It includes the list of ideal customer profile, list of current and prospective customers, list of references , the market size, target market, sales volume and cycle.**
- c) It shows the products, pricing, strengths, weaknesses and strategy of key competitors.**
- d) It states the pricing and ordering of the product.**
- e) It contains terms and acronyms associated with the product.**

(7) What are the essentials/ requisites/ qualities/ characteristics of a good sales report?

Answer: Following are the qualities of a good sales report:

- a) Proper Title:** The report should have a proper title to describe the subject matter reported therein.
- b) Factual:** The report should be factual. The aims and ideas of the person preparing the report should not be allowed to influence the report.

- c) **Time bound:** The report should relate to a certain period and the period of time should be indicated on the top of the report.
- d) **Clear:** The report should be clear, brief and concise . Clarity should not be sacrificed at the cost of brevity.
- e) **Factors:** A report should distinguish between controllable and non-controllable factors and should report them separately.
- f) **Remarks:** Appropriate remarks should be given in the report. It saves valuable time of the management and ensures prompt attention.
- g) **Periodical Review:** A report should be periodically reviewed. The form and contents of a report should not be of permanent nature.
- h) **Proper format:** The format of a report should not be changed from period to period, if the format is to be changed for making any improvement, justification for change in the format or contents should be given.

(8) What are the various types of Sales Report?

Answer: Following are the classification of sales report:

(a) On the basis of function- Sales Report can be categorized as follows:

- I. Progress or Call Report.
- II. Sales work plan report.
- III. Loss Sales report.
- IV. Complaints and Adjustments reports.
- V. Expense Report.
- VI. New Business Report.

(b) On the basis of frequency- Sales report can be categorized as follows:

- I. Daily Sales Report.
- II. Weekly sales Report.
- III. Monthly Sales report.
- IV. Annual sales report.

(9) What do you mean by Tour Diary? What are the purposes of maintaining tour diary?

Answer: A tour diary is a booklet maintained by sales personnel. It contains details of sales tours made by the sales person during a given period. The tour diary records the journey which the sales personnel make in order to meet the customer.

Following are the purposes of maintaining tour diary:

- a) A tour diary contains information about the visit to various places by the salesperson for selling purpose.**
- b) A tour diary is helpful for collection of sales data for companies.**
- c) It is a proof about the sales person's efforts for effecting sales.**
- d) Tour diary is also helpful in measuring the efforts and performance of a salesman.**

(10) Discuss the ethical aspects of selling.

Answer: Ethics refers to a set of moral principles dealing what is right or wrong. These principles govern most of the actions of individuals and organizations. In order to achieve sales target, most of the sales people are often tempted to adopt unethical practices.

Some of the ethical issues in sales management are as follows:

- a) Misrepresentation: Salesperson must not make false and exaggerated claims in order to make sales.**
- b) Overstated expenses: It is unethical on part of sales person to inflate the expense incurred by him in order to complete the selling process.**
- c) Unfair trade practices: A salesperson should never resort to unfair trade practices in order to push sales against strong competition.**
- d) Damaged product: It is unethical on the part of the sales person to offer or sale damaged product to customers.**
- e) Taking away customer: While shifting from one job to another, it is unethical on the part of the sales manger to take away customer of old employer while shifting to new employer.**
- f) Unveiling business secrets: A salesperson should never reveal the business secrets of his employer to any 3rd party without the approval of the employer.**

- g) Unauthorized Selling:** It is unethical to make unauthorized sale by the sales manager. Selling without the prescribed government approval is not only unethical but illegal.
- h) Hiding negative features:** While executing sales, the salesman should disclose both the positive as well as the negative aspects of the product so that the customer can make rational judgement for purchase decision.

(11) What are the importance of ethics in selling?

Answer: Following are the importance of ethics in selling:

- a)** In order to establish relationship selling, the salesperson must ensure ethical behaviour on his part.
- b)** Ethical behaviour may save both the company and his sales force from facing legal action against them.
- c)** Ethical selling builds trust with customer. It helps to create brand loyalty.
- d)** Goodwill and public image of a company can be created only by following ethical standards by the workforce.
- e)** Salespersons are the representatives of the companies. So, they must stick to ethical behaviour in the interest of the company.

(12) What are the measures to improve ethics in selling?

Answer: Following measures can be adopted to improve ethics in selling:

- a)** The HR department of a company should include ethical aspects in its training programmes.
- b)** Company should hire people with right attitudes besides having selling skills.
- c)** Company should create ethical culture and communicate its importance to the sales force.
- d)** Nipping of unethical behaviour in the bud can improve ethics in selling.
- e)** Appreciation and rewards for ethical behaviour can be helpful in improving ethics.

Unit:4

Selling Process

(1) What do you mean by selling process?

Answer: The selling process is the interaction between a salesperson and their potential buyer. Selling process is a complete cycle which starts from identifying the customers to closing the deal with them.

(2) What are the different steps involved in Selling Process?

Answer: There are 7 steps that are typically involved in making a sale:

- a) Prospecting:** It is the first stage of the selling process. Prospecting involves finding and qualifying potential buyers or clients. Prospecting is the process by which a sales person gets new customers. It aims at creating a directory of potential customers and communicating with them in an orderly manner , so as to convert them into actual customers.
- b) Pre- Approach:** The pre- approach step includes all the information gathering activities necessary to learn relevant facts about the prospect. Before the salesperson presents himself for a sale, it is compulsory to develop a sales strategy by gathering customer data.
- c) Approach :** Approach means meeting of the salesperson and prospect in person. It means coming in to direct contact with the prospects. In this step, the salesman comes face to face with the prospect. The salesman must be able to attract the prospect's attention and get him interested in the product.

- d) Presentation:** It is the fourth step in the selling process. It is the most important part of the sale which provides an opening to the salesman to present his product physically before the potential buyers.
- e) Demonstration:** It includes the pointing out of quality and features of the product and providing them with certainty through display, trial and test. By demonstration, the customer observes functioning details of the product himself.
- f) Objection Handling:** An objection is the expression of disapproval of an action taken by the salesman. In other words, objections are the feelings of disapproval raised by the prospects, suggesting the dilemma of the prospect regarding the purchase. It is the duty of the salesman to remove all possible doubt and confusion from the mind of the prospects which give rise to objections.
- g) Closing sale:** The final stage in the selling process is closing. This is the ultimate stage of the various efforts made during the previous stages of the selling process. The ultimate objective of the selling plan is to sell products and services to the customers.

(3) What are the characteristics of prospects/ good prospects?

Answer: Following are the characteristics of good prospects:

- a) A good prospect is someone who has a problem that the product can solve efficiently and cost- effectively.**
- b) A good prospect is easy to sell and to service.**
- c) A good prospect has the power to make the buying decision.**
- d) A good prospect has a goal that the company's product can help to achieve.**
- e) A good prospect is a centre of influence.**

(4) What are the methods of prospecting?

Answer: Following are the different methods of prospecting:

- a) Spotters:** These are sales trainees, who are used by the companies in identifying prospective customers.
- b) Mailing Lists:** There are a number of organizations which provide lists of persons and companies for mailing purposes.

- c) **Trade Directories:** Directories can also be used to search for prospective customers.
- d) **Cold Call**
- e) **Trade Shows and Exhibitions**
- f) **Referrals of Satisfied customers**
- g) **Centre of Influence**

(5) What are the steps in prospecting?

Answer: The steps involved in prospecting process are:

- a) **Formulating prospect definition:** This means that the salesperson needs to check if the prospective customer has the financial capacity, willingness , readiness and authority to buy.
- b) **Identification of Prospects:** After the prospects are defined, now the sales personnel gathers information from various available sources to identify the names of probable prospects or suspects.
- c) **Qualifying prospects:** It means to ascertain if they are viable prospects or not.
- d) **Relating Company's Products to Each prospect's requirements:** The prospecting process ends with creating the strategy to approach the prospect, which is possible only when the requirements of each prospect are ascertained from the information obtained.

(6) What are the importance of pre- approach?

Answer: Following are the importance of pre- approach:

- a) **Pre- approach helps in saving valuable time, effort and energy of the salesperson in the best interest of the organization in which he works.**
- b) **Pre- approach makes the salesperson more confident and enthusiastic while meeting the prospects and putting forth the sales proposition before them.**
- c) **Pre- approach enables the salesperson to know beforehand about the needs and requirements of the prospects in the most detailed manner possible.**
- d) **By pre- approach, the salesperson's knowledge about the prospects is considerably enhanced.**

(7) What are the different sources of information in pre- approach?

Answer: There are pretty good number of sources of information which a salesperson can tap for his purpose in a successful manner:

- a) Fellow salesmen.
- b) Customers.
- c) Newspapers.
- d) Directories.
- e) Market survey reports.
- f) Special investigations.
- g) Office records.
- h) Dealers.
- i) Data Surfing.
- j) Personal observation.

(8) What re the importance/ objectives of approach?

Answer: Following are the importance/ Objectives of approach:

- a) Approach is most vital for the success or failure of the firm because it directly contributes to increased sales or decline in sales.
- b) Enhanced competition makes it imperative to focus on approach.
- c) The approach increases the prospect's knowledge about the product or service and helps to take better decisions.

(9) What are the different methods of approach the prospects?

Answer: The different methods of approaching the prospects are as follows:

- a) Introductory Approach.
- b) Referral Approach.
- c) Benefit Approach.
- d) Product Approach.
- e) Compliment Approach.
- f) Question Approach.
- g) Socratic Approach.
- h) Curiosity Approach.
- i) Fear Approach.

j) Showmanship Approach.

(10) What are the different types of presentations?

a) Answer: Following are the different types of presentations:

Canned Presentation: It is a presentation where the presentation script is written after thoroughly understanding the product and the requirements of the customer.

b) Planned Presentation: The presentation is carefully planned and organized and has a personal touch while the individual is making this presentation.

c) Audio- Visual Presentation: The presentations are made with the help of audio visual aids like charts , slides, video films, etc which depict the actual use of the product.

(11) What are the types of demonstrations?

Answer: There are 2 types of demonstrations namely:

a) Demonstration in Use: The most effective form of demonstration is to show the product while in use. In fact, customers usually like this form of demonstration so, in order to win the confidence , the salesman can allow the customers to personally examine and use the product.

b) Demonstration of Special Features: There are certain products which have special features while for some products a full fledged demonstration is not possible. In such cases, their special features and additional advantages can be demonstrated.

(12) What are the reasons for objection?

Answer: Following are the reasons for objection:

a) People normally display resistance to new and unfamiliar ideas and goods. So, many consumers raise objections in the normal course.

b) Some prospects also raise objections to test salesman's knowledge and patience.

c) Under certain instances the prospects raise objections either to postpone buying or because the prospects lack the required purchasing power.

- d) Prospects raise objections if the salesman is unable to identify their needs or if they come across the salesman pressurizing them or using unfair means to sell the product.**
- e) Some prospects find objections as a means to avoid salesman.**

(13) What are the benefits of sales presentation?

Answer: Following are the advantages of sales presentation:

- a) Face-to-face: It provides an opportunity to interact with the prospects in person.**
- b) Engagement: It aids in engaging the audience.**
- c) Flexibility: The presentation provides an opportunity to alter the content and customize it for different audience.**
- d) Consistency: It helps in ensuring consistency even when different sales persons communicate information to the customers/ prospects.**

(14) What are the essential features of a good presentation?

Answer: Following are the essential features of a good presentation:

- a) Arousing Interest: At the start, the salesman has to arouse the interest of the customer. He can describe the special features of the products so as to arouse the interest of the customer about the product**
- b) Prompt Presentation: The salesman should always be prompt and alert. He should be prompt in presenting the goods to the customers who indicate his eagerness and willingness to serve.**
- c) Clarity Presentation: The salesman's presentation should be clear and complete in all aspects so as to win the confidence of the customers.**
- d) Displaying appropriate quality and quantity: The salesman must show the appropriate goods of exact size and quality as desired by the customers.**
- e) Conducting tests: Tests conducted on the products increase the confidence level of the prospects considerably. The salesman can suggest various common tests of the product to prove its claim and superiority.**

(15) What are the essentials of a good demonstration?

Answer: Following are the essentials of a good demonstration:

- a) The product to be displayed should be available for displaying its features.
- b) Demonstration of the product is highly effective for pointing special or specific features.
- c) When the demonstration is not possible for a product, testimonials or lab reports are shown to the prospects.
- d) Demonstration facilitates comparison of various features and advantages of products thereby enhancing the superiority of a particular product over others easily.
- e) A clear and detailed demonstration displaces possible doubts from the minds of the customers.

(16) Explain the procedure for handling objections.

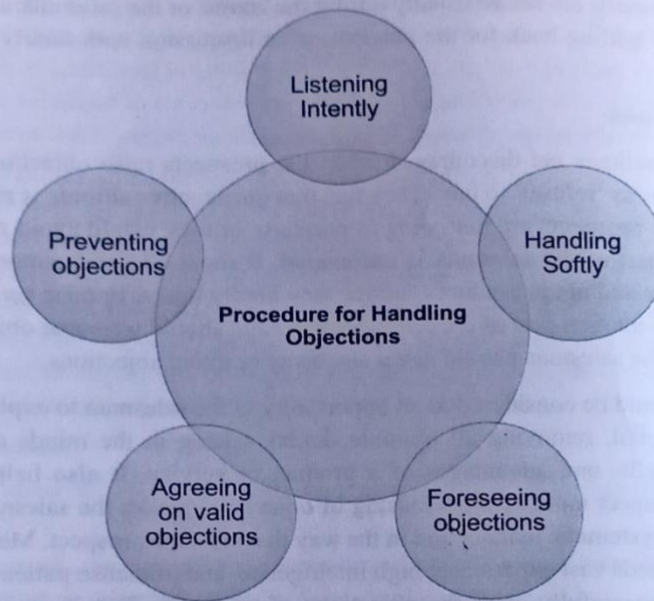
Answer: Following are some of the important techniques of handling objections:

Following are some of the important techniques:

1. Listening Intently: In the initial stages, the salesman should listen to the prospect attentively. It is quite important for the salesman to carefully follow what the prospect states without any interruption. A patient hearing proves to be of great help to the salesman. This may bring down the necessity to raise objections. The salesman is also able to understand the objections in their right perspective. In addition, sufficient time to raise objections must be allowed and direct confrontation with the prospect during this talk should be avoided.

2. Handling Softly: This technique works as shock absorber and lessens the intensity of objection. The salesman reduces the force of the objection considerably, by making it light. For example, he can invite a third party to act as the neutral judge, and seek his unbiased opinion. This soothes the objection of the prospect and helps the salesman to establish his views

before the prospect. Sometimes, it might become essential for the salesman to agree with the prospect's objection, to a certain limit.



3. Foreseeing objections: One of the most effective methods of meeting objections is to anticipate them in advance and answer them before they are raised by the prospect. An intelligent salesman usually takes care of all possible objection points to be raised by the prospect and their possible answers during his sales talk thereby leaving no room for any ambiguity.

4. Agreeing on valid objections: A good salesman always welcomes valid objections and accepts them. However, valid objections are overcome intelligently by the salesman so that the prospect is completely convinced. For example, when a prospect complains about the high price, the sales person may admit it. But he can overcome by pointing out that good quality and durable articles are always high priced. Thus, the salesman requires a lot of skill and tact to answer such objections.

5. Preventing objections: All objections should be met with tact and in defensive manner. In some cases, where the salesman cannot meet the objections reasonably, he can humbly seek the permission of the prospect to clarify his doubts another day. He can praise the prospect for raising a valid point and make the prospect gratified. But all possible efforts should be made to take care of the objections. Usually this leaves little doubt in the minds of the prospect about the salesman's honesty regarding the sales proposition. While overcoming objections, the salesman should never be annoyed and must be very tactful to handle the objections.

(17) Discuss the various methods of handling objections.

Answer: Following are some of the important methods of handling objections:

- a) **Direct Denial Method:** Normally, a salesman should avoid conformation with the prospects. However, at times, it is essential to do the same while meeting objections.
- b) **Reverse Position Method:** This is also known as ' why method' or ' question method' . Under this method, the salesman asks the prospect questions relating to the objections raised such as ' why' and 'what do you really mean'.
- c) **Boomerang Method:** In this method, the objection of the prospect is converted into a reason favourable for purchase. This method is also known as ' translation method' because it converts the objection in the minds of prospects into a reason for making a purchase.
- d) **Superior Point or Compensation Method:** In this method, the salesman frankly admits the validity of the objection raised by the prospect , but simultaneously , offsets the objection by a superior point of greater advantage.
- e) **Pass up Method:** Under this method, the salesman clearly passes up most of the objections. The salesman just smiles or merely shrugs his shoulder or uses any other method to avoid answers to objections raised.

(18)Discuss some common objections in the process of buying.

Answer: Some common objections in the process of buying are:

- a) **Price Objection:** It is the most common objection raised by the prospects in a country like India. Some prospects may object that the price of the product is not on par with that of neighboring shops in the market.
- b) **Payment Objection:** At times, customer may object to buying because of inadequate cash to pay the full price of the product. It may be genuine or sometimes used as an excuse.
- c) **Service Objections :** The salesman while meeting objections related to service has to emphasize the service facilities offered by the organizations like prompt service by expert service personnel, 24 hours service, etc.

d) Time to buy objections: Some prospects may postpone the time of purchase by citing the reasons of arrival of new models, waiting for festive occasions or waiting for price to drop.

(19) What are the importance of closing sale?

Answer: Following are the importance of closing sale:

- **Test of Salesman's ability:** A salesman who closes the deal is considered effective and successful. Thus, close is the ability of a salesman's ability to sell.
- **Brings additional income:** Firms pay commission on the sales brought by salesman. So, a salesman who successfully closes his sale gets more income.
- **Cause of motivation:** A successful close is an achievement and acts as a powerful tool of motivation. The salesman gains confidence in himself.
- **Makes salesman extra cautious:** A successful close is the result of successful prospecting, pre- approach, approach, presentation and overcoming objections. Moreover, success at each stage depends upon effective contribution of its previous stage.

(20) What are the reasons for failure of close of sales?

Answer: Following are the reasons for failure of close of sales:

- **Incorrect Attitude:** Mental attitude of the salesman makes the difference between success and failure in closing the sale. If the salesman has faith and confidence in his abilities to convince a prospect to buy, he will have little difficulty in closing the sale.
- **Inadequate Presentation:** An ineffective presentation is one which takes into account the need of the prospect and the salesperson keeps in mind those needs while preparing the presentations.
- **Interruption:** In certain cases, the salesman might have successfully brought the prospect to a point of closing the sale, but is unable on account of a near or dear over's interruption resulting in withdrawal from closing the sale.
- **Anticipating spontaneous reply from prospects.**

(21) What are the requisites of a successful close of sales?

Answer: Important pre- requisites for making a successful close are as follows:

- **Go for it attitude:** As the salesman and the prospect move along the various stages of the selling process, it is better on the part of the salesman to remain calm and handle the situation with enough confidence. He should always remain alert and wait for appropriate moment to close a sale.
- **Effective presentation and demonstration:** The salesman should always try to convince the prospect through an effective presentation and demonstration. This is important because through effective demonstration and presentation only the prospect is able to know the benefits and utilities of the product.
- **Seize Attention:** To be successful, salesman should always try to hold and seize the attention of the prospect towards the product. He should avoid diverting the prospect's attention to other things.
- **Permit questions:** A good salesman always encourages the prospects to ask questions about the product and tries to remove the doubts from their minds. As the prospect should not think that the sale is being forced upon him.
- **Value prospect decision:** The salesman's duty is to assist the prospect in taking a wise decision to ultimately buy a product by which the prospect will be benefitted.
- **Preserve Selling Points:** An intelligent salesman never discloses all the selling points during the course of the sales talk itself. Rather, he should keep the unique sales propositions for appropriate moments.

(22)What are the different methods of successful close of sales?

Answer: Following are the different methods of successful close of sales:

- **Getting a series of affirmative questions:** One of the methods of closing the sale involves asking a number of questions to ensure that the prospect gives positive answers to the questions.

- **Narrowing the choice:** The salesman narrows down the choice by asking them to retain what they like and remove others , making it easy to quickly choose from among a selected variety.
- **Closing on minor points:** A salesman tries to get the confirmation of the buyers over minor points such as colour , size, brand, cash payment, etc. When the salesman attains the consent of the prospect on smaller points, he may close the sale a later by seeking order.
- **Successful business story close:** Under this method, the salesman provides information and testimonials of people satisfied by the purchase of such goods. The incident must be real and must be related to the product.
- **Offering Inducements:** In this method, salesman effectively closes his sale by offering various freebies so as to enhance the desire of the product. This method highlights the benefits associated with purchase of product.
- **Assumption Close:** In this method, the salesman presumes that the prospect has decided to purchase the product. At the end of the sales presentation , the salesman places his order form before the prospect and quotes the price and bring the product.

(23) What are the importance of after sales service?

Answer: Following are the importance of after sales service:

- ❖ **Keeps the customers satisfied:** This helps in keeping the customers satisfied. It promotes proper communication of customer's needs and wants to the product or service provider.
- ❖ **Customer:** When customer make repeated purchases of a product or service from a company, it shows the loyalty towards the organization. The after sales service plays an important role in communicating customer needs and complaints to the provider so that the products and services can be improved accordingly.
- ❖ **Reduces the cost of luring new customer:** The cost of gaining new customers is far higher than retaining the old ones. Good

customer service from a company helps to retain old satisfied customers, thus reducing the cost for attracting new ones.

- ❖ **Helps to beat competition: Organizations that provide excellent after sales service outperform their competitors and become leader in the industry.**
- ❖ **Helps to receive feedback: Customer service representatives directly chats to the customers and listens to all the positives and negatives expressed by them. This helps the company to receive invaluable feedback, which they would otherwise never receive.**