

standardised products (c) Many people do not pay attention to the unsolicited mail (d) It is difficult to prepare and update the mailing list (e) Illiterate people can not be covered.

**6. Outdoor Advertising :** This is a very old medium. It consists of posters, billboard, neon sign, wall writings, signboards on buses and other public vehicles etc. Its **advantages** are (i) It attracts attention quickly (ii) It has a long life (iii) It has a wide appeal. (iv) It is very selective in terms of geographical coverage (v) It is economical.

Outdoor advertising suffers from several **disadvantages** (a) It cannot convey detailed message (b) It has low retention value and temporary appeal (c) It is considered harmful to natural handscape and a potential road hazard.

### 3.8.1 Factors Influencing Choice of Advertising Media

**1. Nature of Product :** Consumer products of daily use require a general and wide appeal for advertising. Therefore, newspapers, radio and TV are most useful media. On the other hand, industrial products like machines are better advertised in trade and technical journals and direct-mail.

**2. Location and Size of Market :** Local and small markets can be covered through films, outdoor media and regional newspapers. Newspapers, radio and TV are preferable when the market is large and geographically scattered.

**3. Type of Message :** Short advertisements can be given on radio, TV and films. But lengthy advertisements are better given in newspapers and direct mail.

**4. Coverage of Media :** When the message is to cover a large number of people, newspapers, radio and TV are suitable. Magazines, direct mail and outdoor media have a limited coverage.

**5. Cost of Media :** Radio, TV and films are costlier than direct mail, newspapers and outdoor media.

**6. Other Factors :** Objective of an advertisement (e.g. to launch a new product), or to remind buyers of an existing product, media used by competitors and type of buyers (e.g. literate or illiterate also influence the choice of advertising media.

In real life, business firms use a combination of several media to advertise their products and services.

### 3.9. MEANING OF SALES PROMOTION

(Sales promotion means short-term incentives of non-recurring nature used to stimulate consumer purchasing and dealer effectiveness. The main purpose of sales promotion is to obtain spot buying by offering non-recurring and non-routine incentives.)

Sales promotion activities help to launch new products, to make immediate sales, to clear overdue stocks, and to meet competition. Sales promotion also encourages consumers to shift to another brand. Distribution of free samples, coupons, free gifts, exchange offers, prize contests, etc., are examples of sales promotion techniques. The main weakness of sales promotion is that its effect lasts only till the incentive is offered.

Sales promotion refers to all those activities other than advertising and personal selling that stimulate consumer purchasing and dealer effectiveness. It includes activities like distribution of free samples, premium or bonus offers, free coupons, prize contests, demonstrations, incentives to dealers and sales-force for achieving a specified sales target, etc. These activities are essentially temporary, non-routine and non-recurring in nature. They supplement advertising and personal selling. The basic purpose of sales promotion is to stimulate on-the-spot buying through short-term incentives. Another objective of sales promotion is to supplement advertising and personal selling. According to the American Marketing Association, "Sales promotion, in a specific sense, refers to those sales activities that

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- (a) With-pack premium
- (b) A reusable container
- (c) A free-in-the-mail premium.

With-pack premium means a free product is given along with the product purchased by the customer. For example, one spoon free inside the two kilogram packet of Surf washing powder. A reusable container is a container that has utility for the customer after the product is consumed. For example, a detergent powder is offered in a plastic bucket. Free-in-the-mail premium means a free gift that the customer can obtain after sending a proof of purchase, e.g., cash memo or wrapper of the product. For example, a pager may be given free on the purchase of a large-sized refrigerator. Similarly, a dry cleaner may offer pay for two shirts and get three shirts dry cleaned.

**5. Price-off Offers :** It means offering the product at below the normal price. For example, business firms may give 20 per cent off on refrigerators, coolers, fans, etc., during the offseason.

**6. Prize Contests :** Contests may be held for customers, salesmen and dealers. Customers are required to write a slogan or complete a sentence about the utility of the product. It provides new ideas for advertising the product. Contests for salesmen and dealers are also held to encourage them to increase the sales of the product. Attractive prizes are given to the best entries. Prize contests may be held through radio, newspapers and magazines, or even through pamphlets distributed to dealers. All entries in the contest are judged by a panel of judges who will select the best entries.

**7. Demonstrations at Fairs and Exhibitions :** Fairs and exhibitions are organised to display and popularise products of the firm. For example, producers of readymade garments organise fashion shows to explain the special features and usefulness of their garments. On such occasions the firm distributes free literature to introduce itself and its products. Producers of household appliances, soft drinks, cosmetics, etc., stage demonstrations of their products at fairs and exhibitions.

**8. Exchange Offers :** Sometimes manufacturers of household gadgets and other products make an offer 'exchange old products with new ones'. For example, an old iron can be exchanged with a new iron after payment of a specified amount. Such offers are also made for refrigerators, television sets, gas stoves, scooters, air conditioners, washing machines, sewing machines, etc.

### 3.10. DISTINCTION BETWEEN ADVERTISING AND SALES PROMOTION

The main differences between advertising and sales promotion are as under.

**1. Nature :** Advertising has a long-term perspective whereas sales promotion has a short-term perspective of boosting immediate sales.

**2. Purpose :** The main purpose of advertising is to build image of the advertiser and his product. On the other hand, the main purpose of sales promotion is to increase immediate sales.

**3. Regularity :** Advertising is a recurring and routine technique but sales promotion is non-recurring and not in the ordinary routine.

**4. Orientation :** Advertising is consumer-oriented whereas sales promotion is product-oriented.

**5. Focus :** Advertising moves the buyer towards the product while sales promotion moves the product towards the buyer.

### 3.11. DEFINITION AND MERITS OF BRAND AND BRANDING

Brand means any identification mark (such as trade name, mark, symbol, picture, design, colour, etc.) used to identify the product of a seller and to differentiate it from the products of competitors. A registered brand is known as a 'trademark'. Dalda ghee, Colgate toothpaste, Lux soap, Titan watches, are examples of brands.

Branding is the process of assigning a distinctive name to the product by which it is to be known and remembered. It is the process by

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supplement both personal selling and advertising; coordinate and help to make them effective, such as, displays, shows and expositions, demonstrations and other similar selling efforts not in the ordinary routine."

Sales promotion activities offer the following advantages :

1. **Low Unit Cost** : The cost of sales promotion per unit is quite low.

2. **Sales Support** : Sales promotion provides strong support to personal selling and advertising. It serves as a bridge between them.

3. **Faster Product Acceptance** : Sales promotion makes a product acceptable to consumers faster than any other technique of promoting sales.

4. **Effective Control** : Management can have an effective check on the results achieved through sales promotion schemes. The costs incurred in and the benefits derived from these schemes can be analysed.

5. **Best for New Products** : Sales promotion efforts are best suited for new products. Sales promotion provides access to a large market and personal contacts with customers and dealers.

Need for sales promotion activities has increased due to growing competition, proliferation of brands, trade pressures, and the need for quick returns. However, sales promotion schemes suffer from the following drawbacks.

(a) The incentives offered through sales promotion schemes are artificial and not real. The manufacturer is likely to recover the cost of these incentives by raising the price of products.

(b) Sales promotion schemes are offered only during particular seasons. Therefore, they produce short-term results. As soon as the incentives are withdrawn, the demand also falls.

(c) There is a feeling that sales promotion schemes are mainly intended to sell a substandard product.

In spite of this criticism, sales promotion

schemes help to stimulate demand and increase sales during the slack season.

The main methods of sales promotion are given below.

1. **Samples** : Many business firms distribute free samples of their products to selected consumers in order to make the products popular. This method is generally used for products of daily use, e.g., soaps, detergents, toothpaste, cosmetics, tea, etc. It is an expensive method but is useful particularly for introducing new products in the market.

2. **Trading Stamps** : Trading stamps are issued to customers through the retailers in proportion to the amount of purchase. For example, Ramon Bonus Stamps are issued at 2.5 per cent of the value of goods sold. The customer goes on collecting the stamps on his purchases. Once he has collected stamps of an adequate amount, he obtains a product in exchange of his stamps from the stamp redemption centres. The customer can choose the premium article from the catalogue available at the stamps redemption centre. This technique induces the customers to buy products from those retailers who offer such stamps.

3. **Coupons** : Coupon is a certificate that entitles its holder to a specified saving on the purchase of a specified product. For example, subscription coupons of *Reader's Digest* entitle the readers to save money. A firm may distribute coupons through mail, newspapers, magazines or retailers. The holders of coupons can go to the retailers and buy the product at a discount. The firm reimburses the retailers for the value of coupons redeemed and also pays some amount to cover handling costs. Some retailers do not like this method because it creates financial and accounting problems for them.

4. **Premium or Bonus Offer** : It implies an offer of a certain quantity of the product, free of cost, on the purchase of a specified quantity of the product. It also refers to a free gift on the purchase of specified products.

A premium offer can be of three types :

- (e) Branding ensures uniform standards of quality and design to consumers.
- (f) Prices of branded and standardised products are fixed by the manufacturer. They are printed on the product and become well-known to consumers. As a result, unscrupulous retailers cannot exploit consumers by overcharging.
- (g) Branding tends to widen the market as need for inspection and sample is eliminated. Goods can be sold by description and they fetch better prices.
- (h) Branded products are invariably packed which prevents adulteration and helps to preserve the quality of the product. A registered brand becomes the exclusive property of its owner and protects him from imitations.

To be sound enough to provide these benefits, the brand name should be selected with utmost care. **Following are the essentials of a good brand :**

- (a) The brand name should be brief and simple.
- (b) It should be easy to pronounce, spell and remember.
- (c) It should be attractive and appealing to the eyes.
- (d) It should be suggestive of the utility of the product.
- (e) It should be distinctive and difficult to imitate.
- (f) It should remain constant for a reasonable period of time in order to gain popularity.
- (g) It should be capable of registration and legal protection.

### HLL to marry brands Knorr and Annapurna

Knorr and Annapurna, Hindustan Lever's key food brands, are being merged. The entire range of products marketed separately under

Knorr and Annapurna, will now be marketed under the Knorr Annapurna umbrella. In addition, the company has also brought bread brand, Modern, under the umbrella. Modern will now be marketed as Kissan Atta Bread. Confirming this, a spokesperson said that the merger will benefit both brands.

Knorr is Unilever's fastest growing food brand worldwide. Sources said HLL will phase out the Annapurna brand over a period of time, thereby positioning Knorr as a single food brand. A couple of years ago, Annapurna was slated to be the flagship brand for its staples product but seems to have lost little favour with customers.

Company watchers see this move as a part of the Unilever strategy of integrating global brands. As a staples brand, Annapurna was a slow mover. Knorr has a better brand equity in the culinary products market, especially in the soups category.

The Kissan brand was earlier used to identify Annapurna as a Lever product but was later taken off after the management felt that the Annapurna had acquired a brand identity of its own. In November '01, the company spun off Kissan and Annapurna.

Source : *The Economic Times*, July 28, 2001

### 3.12. HOW TO BRING ABOUT BRAND PROMOTION

Brand promotion means informing, reminding and persuading present and potential customers to purchase a particular brand. It is primarily the responsibility of the concerned manufacturer though wholesalers and retailers may also undertake brand promotion.

The main purpose of brand promotion is to build a market for the product and to meet competition. Through regular advertisements for a brand a business concern tries to develop a positive image of the product and brand loyalty.

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### Comparison Between Sales Promotion and Advertising

Point of Distinction	Sales Promotion	Advertising
1. Meaning	Marketing activities which stimulate consumer buying and dealer effectiveness.	Any paid form of impersonal presentation and promotion of a product, service or idea by an identified sponsor.
2. Time horizon	Short-term perspective.	Long-term perspective.
3. Aim	To increase immediate sales.	To build image of producer and his product.
4. Scope	Free samples, coupons, contests, premium offers, displays, exhibitions, etc.	Newspapers, magazines, TV, radio, posters, films and other media.
5. Regularity	Limited period, non-recurring.	Regular and recurring.
6. Emphasis	Supplement to advertising and personal selling; pushes product towards buyers.	Informs, persuades and reminds buyers, attracts customers towards the product.

which a product is branded. It is a general term covering various activities such as giving a brand name to a product, designing a brand mark and popularising it. A brand is a name, term, symbol or design or a combination thereof used to identify the goods or services of a seller and to differentiate them from those of competitors. A brand name consists of (a) words, numbers or letters which can be pronounced, and (b) symbols, designs, marks, etc., which can only be seen but not pronounced. A *trademark* is a legal term and refers to the brand which is registered under the Trade and Mercantile Marks Act, 1958. After registration, a brand enjoys legal protection and becomes the exclusive property of the owner. Sometimes, repeated use causes a brand name to become a generic term, synonymous with all types of brands of the product. For example, Dalda is often used to refer to all types of *vanaspati*.

Brands may be producers' brand or middlemen's brand, multiple or single brand. A family brand means selling a number of allied products under the same name, e.g., Usha machines and fans. Business firms generally use three types of brands :

- (a) symbols and marks like Rath vanaspati, Ship brand match-box, Fountain bidis, etc.,

- (b) special names like Pears soap, India Kings cigarettes, Mohan ghee, etc.,  
 (c) name of the producer such as Godrej refrigerator, Escorts tractor, Modi carpets, etc.

**Branding has the following advantages :**

- (a) Branding helps consumers to identify and recognise the product. It simplifies, therefore, purchase and sale and reduces the time and effort involved therein.  
 (b) Branding is a means of differentiating the product from the competitors' products. A producer can create a marked preference for his product (brand loyalty) by constantly repeating the brand name to the public.  
 (c) Branding is the basis of advertising and other techniques of mass selling. Gradually, the brand itself becomes its own advertisement. Dalda, Coca-Cola and Lux have become household names because of brand advertising.  
 (d) Branding helps to minimise selling costs by reducing dependence on middlemen. Dealers are ready to handle branded products at lower margins.

## LEARNING OBJECTIVES

After studying this chapter, you should be able to understand :

- 4.1. Meaning of Sales
- 4.2. Distinction between Marketing and Sales
- 4.3. Meaning of Personal Selling
- 4.4. Importance of Personal Selling
- 4.5. Distinction between Advertising and Personal Selling
- 4.6. Steps in the Personal Selling Process
- 4.7. Qualities of a Good Salesman
- 4.8. Distinction between Sales and Selling Process

Sales refer to the exchange of goods and services for money. It is a process whereby the seller transfers ownership in goods or services for a price.

Selling is the hallmark of business and no revenue comes unless sale is made. But marketing is much more than selling. One of the essential techniques of selling is salesmanship or personal selling. Several steps are involved in the process of personal selling. In order to be a good salesman, a person needs several qualities.

## 4.1. MEANING OF SALES

(According to the American Marketing Association, "selling is the personal or impersonal process of assisting and/or persuading a prospective customer to buy a commodity or service and to act favourably upon an idea that has commercial significance to the seller.")

Selling comprises all those personal and impersonal activities involved in finding, securing and developing a demand for a given product or service, and in consummating the sale

of it. Selling requires persuasion. It involves identifying customers, creating demand, persuading them to buy and transferring ownership for a price.

Selling may be consumer selling or industrial selling. Consumer selling involves selling goods or services to the final users. Industrial selling means selling to firms who buy for industrial use.

The main **features** of selling are as follows :

- (a) Selling involves persuading and convincing people to buy. Persuasion is necessary for creating demand.
- (b) Selling also involves winning the confidence of buyers by providing them information about the utility of products and services.
- (c) Selling converts goods and services into cash. However, it also seeks to satisfy the needs of customers. It is a two way process.

**Brand loyalty** means that some consumers continue to prefer a brand due to faith in its superiority. The power and value which a brand adds to the product is known as **'brand equity.'**

Brand promotion means making a brand popular in the market. Manufacturers adopt several methods to bring about brand promotion. These **methods** are as under :

✓ **1. Advertisements** : Advertisements in newspapers, radio, TV and other media are regularly given to make a particular brand well-known among consumers. It is due to repeated advertisements that Lux soap, Colgate toothpaste, Titan watch, Maruti car and other brands have become popular in the market.

✓ **2. Quality Control** : Brands become popular and continue to enjoy the confidence of buyers only when the quality of the brand is maintained.

✓ **3. Publicity** : Publicity means any commercially significant news which has no sponsor, is non-personal and is not paid for by the individual or organisation involved in it. Mass media such as newspapers, radio and television give news and views about an organisation and its products or services in such a way that the image of the organisation is enhanced. News releases (e.g., opening of a new showroom), feature articles, letters to the editor, press conference and audio-visual material are the main techniques of publicity.

Publicity is an inexpensive, timely and credible method of promotion. But the organisation has no control over publicity. Just as good publicity can enhance image, bad publicity can spoil the image of an organisation.

#### **Top 10 brands hold their turf**

Deflation, corporate impropriety, rising unemployment, war... the past year hasn't been kind to many brands globally. It was a time for the real men to stand up and show their mettle.

And, the tough guys have lasted the course. The Top Ten global brands have managed to cling on their last year's position, exhibiting their staying power.

ET brings you, for the second year running, exclusively in India, the 2003 edition of the Interbrand Business Week best Global Brands survey, a definitive ranking of the world's 100 best brands. Like 2002, Coca-Cola leads the charge during 2003 as well, with Microsoft and IBM retaining their second and third ranks, respectively. In fact, it's an all American occupation of the Top Five ranks.

What is significant is that even though the Top Ten clung on to their ranks, the aggregate brand value of these Top Ten brands dropped to \$386.5 billion, down marginally from last year's \$387.6 billion. However, at \$973 billion, the aggregate value of the top 100 brands is 2% higher than in 2002. Even when their value fell, the Top Ten accounted for nearly 35% of the overall value.

#### **Brandwidth**

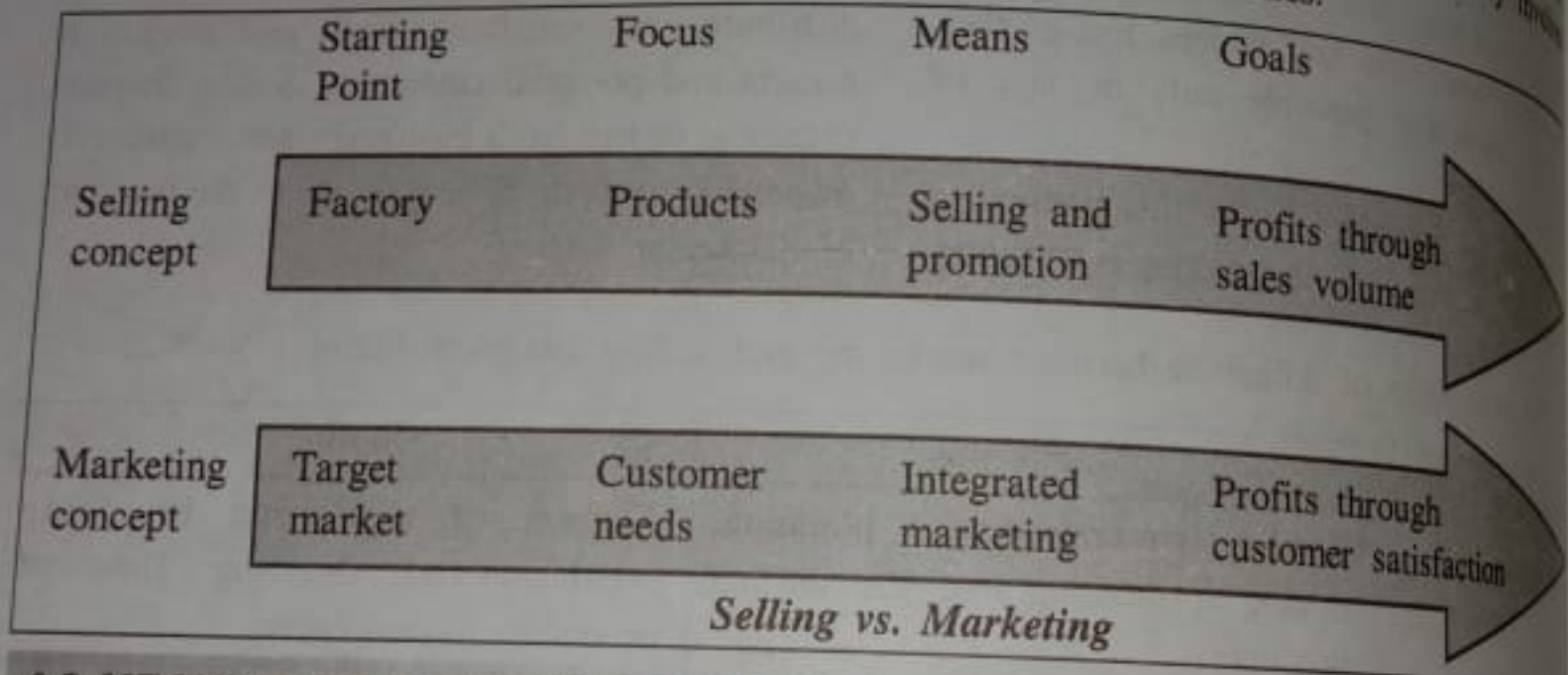
Rank		Brand	Value
03	02		
1	1	Coca Cola	70.5
2	2	Microsoft	65.2
3	3	IBM	51.8
4	4	GE	42.3
5	5	Intel	31.1
6	6	Nokia	29.4
7	7	Disney	28.0
8	8	McDonald's	24.7
9	9	Marlboro	22.2
10	10	Mercedes	21.4
Total			386.6

Source : *The Economic Times*, July 28, 2003.

Marketing involves the design of the products acceptable to customers and transfer of ownership from the seller to the buyer. On the other hand, selling involves procuring orders from customers and delivering the products to them. Selling is product-oriented, while marketing is customer-oriented. Selling begins after the production, because it is concerned with sale of goods already produced. Marketing, on the contrary, begins before the production cycle in order to identify customers' wants. Selling comes to an end with the delivery of the product to the customer. But marketing continues even after sale so as to provide after-sale service.

Selling concentrates on increasing sales volume, whereas marketing concentrates on satisfying the customer. "Selling focuses on the needs of the seller, marketing on the needs of the buyer. Selling is preoccupied with the need to convert his product into cash, marketing with the idea of satisfying the needs of the consumer by means of the product and a whole cluster of things associated with it, delivering and finally consuming it."

Thus, marketing is a much wider embracing selling which merely involves promotional activities.



**4.3. MEANING OF PERSONAL SELLING**

Personal selling or salesmanship is the process of assisting and persuading a prospective buyer to buy a product or service in a face-to-face situation. It is the act of persuading people to purchase goods and services which will provide them lasting satisfaction. It involves winning the buyer's confidence and creating a regular and permanent customer.

"Salesmanship is the process whereby the seller ascertains and activates the needs or wants of the buyer and satisfies the needs or wants to mutual continuous advantage of both the buyer and the seller."

— Pederson and Wright

"Salesmanship consists of winning the buyer's confidence for seller's goods and

thereby winning a regular and permanent customer."

— G. B. B...

"Salesmanship is the art of so presenting an offer that the prospect appreciates the value for it and that a mutually satisfactory sale follows."

— Philips and Dun...

✓ "Salesmanship is the process of assisting and persuading a prospective buyer to buy a product in a face-to-face situation."

— American Marketing Association

These definitions reveal the following features of personal selling.

- 1. Personal :** Personal selling involves direct, personal or face-to-face contact between the seller or his representative and the buyer.
- 2. Selective :** It involves contact with a limited number of selected persons.

*Sales and Sell...*

**3. Oral :** ...ken words or ... writing.

**4. Long :** ... of personal s... to win a perm... a close and... buyer and th...

**5. Art :** ... persuading pe... The salesman... win his con... salesman h... customer.

**6. Flexib :** ... the salesman... fit the nee... individual cu... and objectio... spot.

**7. Mutu :** ... two way pro... the buyer an... leads to hig... seller.

**4.4. IMPO... SELL**

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3. Cost
4. Flexibi
5. Sale
6. Custom... satisfac
7. Covera



Selling can be over the counter (retail store selling) or door-to-door. The following methods can be used in both types of selling :

1. **Sale by Inspection** : In this method, the buyer or his representative inspects the goods before deciding to buy them. Selling by inspection is necessary when the goods are not standardised or are of perishable nature. This is a time-consuming method of selling.

2. **Sale by Description** : Goods may be sold through description in catalogues, circulars, sales letters, etc. Description gives size, shape, design, contents, etc. of goods. Sale by description saves time and widens the market. But this method is possible only in case of standardised goods.

3. **Sale by Sample** : Under this method, a sample or specimen of the product is checked.

Bulk order is placed on the basis of sample. This method is used in case of foodgrains, tea, coffee, etc.

4. **Sale on Approval or Return** : The seller sends the goods to the buyer. After checking them the buyer may decide to buy them or return them back to the seller.

#### 4.2. DISTINCTION BETWEEN MARKETING AND SALES

Marketing is a wider term and includes selling. Marketing consists of interacting business activities performed to plan, price, persuade and distribute want satisfying goods and services to present and potential customers. Selling involves obtaining orders from customers and transferring ownership to them. Selling is one of the functions of marketing.

The main points of difference between marketing and selling are given below :

Basis of Distinction	Marketing	Selling
1. Scope	Total system consisting of planning, pricing, promoting and distributing products.	A part of marketing involving persuasion and directing flow of products to customers.
2. Beginning	Begins much before goods are produced to understand the needs and preferences of consumers.	Begins after the goods are produced.
3. End	Continues even after sale so as to provide after-sale service and to judge reactions of consumers.	Comes to an end with the delivery of goods to customers.
4. Orientation	Customer-oriented, the aim being to satisfy the needs of buyers.	Product-oriented, the aim being to satisfy the needs of the seller.
5. Focus	On long-term growth and profitability of business.	On short-term maximisation of profits.
6. Means used	Integrated approach.	Persuasion and promotion.
7. Objective	Profits through customer satisfaction.	Profits through sales volume.
8. Principle	Caveat vendor — let the seller beware.	Caveat emptor — let the buyer beware.

#### 4.6. STEPS IN PERSONAL SELLING PROCESS

The process of personal selling consists of the following steps :

**1. Preparation :** First of all a well-trained and motivated sales force is developed. Salespersons must have knowledge of the firm and its products and services, competitors and their products and services, customers and selling techniques. They must be fully aware of the quality, uses, prices, etc., of the goods to be sold.

**2. Prospecting :** Prospecting means locating and identifying the potential buyers. A list of prospective customers can be prepared with the help of dealers, salespersons, telephone and trade directories, etc. Information about the age, income, education, family background, tastes, preferences, etc., of prospective buyers should be collected. Collection of such information is called *pre-approach*.

**3. Approach :** In this step, the salesperson makes face-to-face contact with the prospective buyer. The salesperson should introduce himself, greet the customer and start conversation with him/her so as to create a good first impression.

**4. Presentation :** Now the salesperson displays and describes the product to be sold. He should tactfully demonstrate the product and explain its quality, utility, performance, etc. He should explain how the product meets the needs of the customer and arouses his interest.

**5. Convincing :** At this stage, the salesperson handles the objections raised by the customer. Objections should be considered as sales opportunities. Instead of arguing or losing temper, the salesperson should understand the causes of objections and should try to convince the customer.

**6. Closing the Sale :** The salesperson concludes the sale by obtaining the consent of the buyer. Some concession may be necessary for this purpose. The salesperson should know when and how to close the sale. He should assure the customer that he has made a wise

choice and should thank the customer. To obtain repeat sales, the salesperson should carefully pack and deliver the product.

**7. Post-Sale Follow-Up :** The salesperson should check up whether the product is working to the satisfaction of the customer. Follow-up action helps to win the trust and loyalty of the customer.

These steps in personal selling are summed up in the acronym 'AIDCAM' which stands for Attention, Interest, Desire, Conviction, Action and More Sales.

#### 4.7. QUALITIES OF A GOOD SALESMAN

A good salesman should possess the following qualities :

**1. Good Physique :** A good salesman should have sound health, good appearance, cheerful disposition and an impressive voice. He should be physically and mentally fit for hard work. He requires a neat and clean appearance. He should be properly dressed.

**2. Cheerful :** Pleasing manners and a smiling face are necessary for a successful salesman. He should be sociable, friendly and cooperative. He should be polite and courteous.

**3. Sincere :** A good salesman is always honest and committed to his work. He is dependable and courageous. He requires a cool temper and enthusiasm.

**4. Sensitive :** A successful salesman should be sensitive to the needs and expectations of customers. He is a good listener and has patience.

**5. Knowledgeable :** A good salesman should have adequate and up-to-date knowledge about his firm, product market, competitors and customers. He can face and convince customers only with knowledge.

**6. Sound Memory :** Keen observation, a sharp mind, sharp memory and ability to judge people are necessary for a successful salesman. Confidence, far-sightedness, persuasive skills and initiative are equally important.

#### 4.8. DISTANCE SELLING

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#### Short-Answers

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2. D
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5. S
6. B
7. N
8. W
9. W
10. Ex
11. G
12. G

#### Long-Answers

1. W
2. Dis
3. Ex

**3. Oral :** Personal selling makes use of spoken words or oral messages. It is not done in writing.

**4. Long Lasting Relationship :** The purpose of personal selling is not just to make sales but to win a permanent customer. It seeks to develop a close and lasting relationship between the buyer and the seller.

**5. Art :** Personal selling is the skill of persuading people to buy a product or service. The salesman has to convince the customer and win his confidence. For this purpose, the salesman has to inform and educate the customer.

**6. Flexibility :** Personal selling is flexible as the salesman can tailor his sales presentation to fit the needs, motives and behaviour of individual customers. He can clarify the doubts and objections raised by the customers on the spot.

**7. Mutual Benefit :** Personal selling is a two way process. It results in benefits both to the buyer and the seller. Customer satisfaction leads to higher sales and more profits to the seller.

#### 4.4. IMPORTANCE OF PERSONAL SELLING

Personal selling is important in the following ways :

**1. Understanding Customer Needs :** Personal selling helps in understanding the

needs, habits, attitudes and preferences of customers. Such information is very helpful to business in designing appropriate products and services which will satisfy customers.

**2. Persuasion of Customers :** A salesman can persuade and convince customers. He can inform, educate and win the confidence of present and prospective consumers.

**3. Complete Job :** Personal selling can do the complete job of selling. Advertising can only bring in customers. Salesmen are required to convert demand into actual sales by clearing the doubts of customers.

**4. Most Flexible Tool :** Personal selling is the most flexible technique of promoting sales. The sales representative can adjust his approach to suit the particular situation.

**5. Provides Feedback :** Salespersons can collect the reactions and response of customers to the marketing efforts of business. With the help of such feedback, necessary changes can be carried out in the policies and programmes of business.

Personal selling is however, a very costly and time consuming process. It also involves the problems of selecting, training and motivating competent salesmen.

#### 4.5. DISTINCTION BETWEEN ADVERTISING AND PERSONAL SELLING

The main differences between advertising and personal selling are given below :

Basis of Distinction	Advertising	Personal Selling
1. Nature	A mass selling method.	One to one selling method.
2. Contact	Impersonal — no face-to-face contact.	Personal — face-to-face contact.
3. Cost	Less costly.	More costly.
4. Flexibility	Less flexible.	More flexible.
5. Sale	Cannot result in immediate sale.	Can result in immediate sale.
6. Customer satisfaction	Cannot remove doubts of customers.	Can remove doubts of customers.
7. Coverage	Wide	Narrow

#### 4.8. DISTINCTION BETWEEN SALES AND SELLING PROCESS

1. Sales refer to the total amount of goods and services sold by a firm during a given period of time. On the other hand, selling process is a series of steps taken by a salesperson to sell goods and services.

2. Sales is the end result of the process of selling.

3. Selling process is an ongoing activity while sales is known at the end of a period.

4. Sales is a quantitative term whereas selling process is not a quantitative term.

#### SUMMARY

1. Selling is the process of assisting and persuading a buyer to buy a product or service through face-to-face contact and other methods.
2. Marketing is a wider term than selling.
3. Personal selling is the process of assisting and persuading a prospective buyer to buy a product or service in a face-to-face situation.
4. Personal selling enables a salesperson to understand and persuade customers to do complete job of selling and to collect feedback. It is the most flexible method.
5. Preparation, prospecting, approach, presentation, convincing, closing the sale and post-sale follow-up are the steps in the process of selling.
6. Good physique, cheerful disposition, sincerity, sensitivity, knowledge and sound memory are the main qualities of a good salesman.

#### EXERCISES

##### Short-Answer Questions

1. Define sales.
2. Distinguish between institutional and Informative advertising. [ICSE, 2012]
3. Define salesmanship.
4. What AIDCAM stands for?
5. State the characteristics of salesmanship. [2011]
6. Briefly list two qualities of a good salesman. [2011]
7. Name the steps in personal selling process. [2006]
8. Why is personal selling considered selective in nature? [2006]
9. What is sale on approval? [2008]
10. Explain two basic differences between sales and selling process. [2009]
11. Give two features of salesmanship. [2011]
12. Give one difference between advertising and personal selling.

##### Long-Answer Questions

1. What is personal selling? Differentiate between personal selling and advertising.
2. Distinguish between marketing and sales.
3. Explain various steps in the process of personal selling.

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### Questions

- Q.1. Define the term sales promotion.
- Q2. Discuss the methods of sales promotion.
- Q3. Discuss the qualities of a good salesman.
- Q4. Distinguish between sales promotion and Advertising.
- Q5. What is Brand? ~~Promotion?~~
- Q6. Discuss the methods of Brand Promotion.
- Q7. Distinguish between Marketing and Sales.
- Q8. Distinguish between Advertising and Personal Selling.
- Q9. Distinguish between sales and selling process.