



Third Revised Edition

SALESMANSHIP
and
SALES
MANAGEMENT

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1

SALESMANSHIP IN OLDEN DAYS

EARLY EVOLUTION OF SELLING

Selling is necessarily the outcome of human needs. The origin of salesmanship, therefore, is as old as mankind. Before the introduction of money as a medium of exchange, barter system was prevalent. In other words a person having surplus goods usually traded with others for the object they needed. Services were also exchanged similarly. However, goods offered for sale in those days were not available in specific sizes and quantities based on specific needs of individuals. Popularly known as barter, everybody involved in such transactions was a salesman as well as a customer. Even in barter transactions, skill and persuasive ability of the individual had an important role to play.

With the passage of time, individuals began to form families and families in turn resulted in tribes. Accordingly, exchange of goods and services started taking place among families and tribes. Gradually, families and tribes realised that specialisation in the production of one or a few commodities and trading the surplus of the same with other people would be more profitable. Such interdependence amongst individual families and tribes continued to grow. In the absence of a common medium of exchange, barter system continued in such transactions. Sales in those days were mostly local. There was hardly any specific market place for performing such sales transactions. As a result, exchange of goods and services was irrespective of time and place.

The early written records and relics relating to commerce clearly show that the origin of selling or trading went back into the ancient times. Some authors believe that selling was common even in the bronze age. The ancient cities of Athens, Carthage and Rome were the established trading centres which serviced their own population as well as the areas around them. The earlier Greeks and Persians were great merchants who exchanged their products with those of other neighbouring countries. Earlier records also reveal that Indian traders used to sell their merchandise in far away places and markets of the great cities of Rome and Athens.

With the passage of time, small families and tribes gradually expanded into communities. The volume of transactions through the exchange process or barter increased considerably. This necessitated the need for earmarking convenient places where buying and selling could take place. Such convenient meeting place of buyers and sellers was the origin of what is now known as market. The evolution of market made the transaction of goods and services between the buyer and the seller quite easy and saved a lot of time.

ORIGIN AND EVOLUTION OF SALESMANSHIP

As time advanced and kingdoms established, coinage came into vogue. The need for a convenient medium of exchange, which would not only retain its value over a period of time, but would also possess general acceptability, was keenly felt. Hence, beads, shells, skins and furs were introduced by different communities as a medium of exchange in order to make transactions of goods and services easier. In the absence of proper transport facilities, people used to face a lot of difficulties to go to the market for making purchases and sales.

Local Peddler

As the settlements grew into villages, need for the exchange of surplus goods, more particularly the agricultural surpluses, was keenly felt. Since farmers were producing more than their personal requirements, they needed to dispose such surpluses with the help of some middlemen. The local peddler was the middleman who specialised in the transaction of agricultural surpluses. However, the area of operations by such peddlers was mostly confined because of lack of adequate transport facilities. Despite all odds, the selling practices employed by the merchants and peddlers in those days were the pioneer efforts for the development of modern salesmanship.

Chapman

With the progress of civilisation handicrafts began to be manufactured on a small scale. Simultaneously, a new peddler known as the Chapman came into existence. The Chapman was a pack peddler coming from sea routes and riverside towns who specialised in dealing in luxury articles. As compared to the peddler, chapman had to use more elaborate selling skills in order to sell high specialty articles to the upper and middle class people. Chapman may, therefore, be described as a door-to-door specialty luxury salesman similar to the modern day salesman. As a matter of fact, the Chapman rendered great commercial service to the people, since travelling even a few miles was quite risky due to bad roads, neglected bridges, robbers and highway-men. In spite of all these hurdles, chapmen were selling a variety of specialty goods and handicrafts, covering great distances.

Shopkeeper

During the early days of self sufficiency, the need for exchange of goods and services hardly arose. Human needs and wants, during those days, were limited; confined to limited articles and services, which could be met from within the locality. The existence of caste system in India was the main reason for such self-sufficiency at the local level, since persons belonging to a particular caste specialised in producing certain articles and

providing certain services. The articles not found locally were purchased from the nearby town, market or fair. With the gradual increase in population and growth of their needs and wants, local markets proved inadequate to meet the growing needs and requirements of the people. As such, the necessity for establishing shops for 'settled selling' in local areas was greatly felt. The earliest stores were called 'shops' or 'stalls'. Gradually, small shops were opened in villages and towns. These shops were open stalls, displaying goods made in home workshops. Goods displayed in such shop or stalls usually were skilled and qualitative. Those shopkeepers usually made all the articles that they sold and were, therefore, aware of the minutest details of the material and workmanship involved in the manufacture of such articles.

Commercial Adventurer

Despite best efforts, the area of operation of the Chapmen and shopkeepers was very much limited. In due course, some merchants took on business through the sea routes. These ocean-going merchants were known as 'commercial adventurers' because they took high risk by taking the speciality goods to far and distant places, from one country to another. These merchants experienced hardships while developing commerce through sea. The shops used by such merchants in those days were usually small and lacked basic facilities. The seas were ridden with pirates and exposed to tempests and typhoons. Under those difficult and unfavorable conditions, they undertook trade and commerce, which led to the earlier development of international trade and commerce. These commercial adventurers may be described as travelling salesmen.

Merchant Adventurer

The commercial adventurers were responsible for selling domestically produced commodities. Those domestic producers had established certain kind of monopoly through the trade guilds. This led to the formation of monopoly by the producers, who produced only on orders, resulting in high price, low output and stifling of demand. However, the merchant adventurers helped in breaking down the monopoly in trade, held by the merchant guilds. This led to the opening up of trading and commercial activities to a large section of the society. This resulted in low price, high volume of output and expansion of demand. Thus, on a large scale the merchant adventurers did a commendable job for the growth of trade and manufacturing activities.

Commercial Craftsman

These commercial craftsmen were originally working in various workshops, producing different kinds of articles, strictly made to the order of the consumers. Therefore, they were in a position to place a number of samples before the customers and accordingly orders were being received by the craft guild. In the beginning, womenfolk handled the task of presenting samples and receiving orders. At a later stage, with increase in the number of customers, craftsmen from the workshops were deputed to handle the same. Thus, they became craftsmen-cum-salesmen. Such craftsman in charge of the sales was known as the commercial craftsman.

Bagman

The bagman was the first modern traveling salesman, in the strict sense of the term. Bagman was a commercial traveller going from place to place on horseback carrying samples of merchandise in the saddle-pouch on behalf of his employer. In their mission of keeping touch with old customers as well as locating new ones, bagmen covered wide distances. As a result, they played a significant role in creating and extending demand for the goods and services of the manufacturer and acted as missionaries of goodwill for their employer.

SALESMANSHIP IN OLDEN DAYS

During early days, traders and sellers, as a community were not trusted much and invariably known as frauds and dishonest by the general public. The Roman equivalent for the salesman meant 'cheat' and the Greek word for the retailer meant 'falsifier'. It was true that many of the commercial adventurers were pirates who would attack a merchant vessel, kill the crew, seize the cargo and scuttle the vessel to remove the traces of their crime.

It was the responsibility of the buyers to satisfy themselves whether the goods they purchased were upto the mark or not. The sellers neither disclosed the defects nor gave any assurance about the quality of the goods they were selling. They were not under any obligation to do so. In fact, the main and ultimate aim of the seller was to sell the products by any means and at any cost. The rule 'caveat emptor' that is 'let the buyer beware' was taken for granted both by the buyers as well as the sellers. The law of the land also could not provide any protection to innocent consumers from being cheated. The prices of commodities were neither fixed nor uniform during those days. Different prices were charged from different categories of customers. High prices were charged invariably for almost all the goods. Since the supply of goods was either limited or scarce, sellers and traders used to sell inferior quality goods, charging high prices.

Further, selling was not regarded as an honourable profession by the general public. During those days, the society looked at selling with contempt and disrespect. Sellers hardly expected repeat orders from the customers, since most of them cheated and deceived customers in the selling transaction. Societal status of the salesman was the lowest, both in terms of earnings as well as mobility and people took up sales jobs only as the last resort.

Most of the commodities in those days were sold in small general stores. There were also a few travelling salesmen. Advertising and publicity was rare. Interior display of the shops, window and counter displays of stores were in its crudest form.

SALESMANSHIP IN MODERN DAYS

The Industrial Revolution of the 18th century gradually swept off the earlier concept of production and distribution. Manufacturing activities were undertaken on a large scale by gigantic machines. During that period, transport facilities like the railways, road network and sea routes also expanded rapidly. The significant development of transport and

communication facilities helped the traders and merchants in reaching remote places and exploring the far and wide market. Mass production necessitated mass selling. Greater selling efforts were needed to point out the benefit and utility of goods and commodities offered for sale. Personal selling efforts became highly essential for selling products in competitive markets. This led to the emergence and development of modern day salesmanship which aimed at winning the confidence of the prospective consumers through persuasion.

Gradually, producers started improving the quality of products and providing guarantee and warranty against defective products so as to win the confidence of potential consumers. The theory of 'caveat emptor' gradually lost its significance. Unlike the earlier practice of selling at any cost, modern day salesmanship started depending upon commercial honesty. In other words, the modern salesman informs about the qualities, uses and other characteristics of the products and services, demonstrates and displays their positive points so as to create interest in the minds of the buyers. The interest is turned into a need and the same is converted into a sale. Thus, salesmanship in modern days is more of a skill or art of persuading customers to achieve favourable results. It is no longer restricted to selling alone. Rather, it is an act of providing satisfaction to the consumers through the process of selling.

Sellers started offering several concessions and providing temptations to the prospective consumers through trade discounts, cash discounts for prompt payment, longer periods of credit, home delivery, free service, free gifts, prize coupons, etc. in order to sell in the competitive market. Subsequently, installment and hire purchase system of selling were introduced to increase the sales. After sales services were offered for mechanical and technical goods in order to instil confidence in the minds of the prospective buyers.

Sellers gradually realised that in the long run honesty proved to be the best policy. As a result, they followed the principle of commercial honesty, creating permanent and satisfied customers by selling genuine goods and offering dependable services at reasonable prices through honest means. Thus emerged modern philosophy of a professional salesman rendering services and providing satisfaction to customers through selling goods and providing services. As a result, persons having specialised knowledge were engaged to highlight the utility of goods and services to the prospective buyers and persuade them to buy. This acquisition of specialised knowledge in order to develop skill in selling goods and services became a necessity to become a professional salesman. Proper training was needed for the salesmen in order to become successful professionals, mastering the art and science of selling and sales management. As a result, a number of institutions started imparting education and training to people willing to become successful salesmen.

With the passage of time, travelling salesmen were appointed by the manufacturers for canvassing their products and services. These travelling salesmen were given the responsibility of contacting prospective buyers and dealers, explaining the merits and usefulness of goods and services, terms of sale etc. At present, manufacturers and distributors of medicine, stationery, luxury goods, books and journals engage such travelling salesmen who travel from place to place canvassing their products and services to the prospective buyers and dealers.

At the same time, producers and distributors realised that whatever may be the quality of goods and services they won't sell by themselves. Information about the availability of goods and services, their salient features, merits and usefulness was definitely required to be provided to the prospective buyers. As a result, large scale advertising was resorted to create such awareness about products and services. Thus, the modern day sale depends a lot on advertising. The media and form of advertising over the years have undergone a major change. With the spread of education and development of science and technology, the effect of such advertising campaign is so much that most of the goods and services are presold before they are actually sold. Consequently, the job of modern day salesman has become easier through sales promotion.

The stigma of sales profession being dishonest has changed since long. The career of a salesman is no longer considered to be the job of last resort. In fact today, salesmanship is considered to be an important service highly essential for the modern day world. At present it is considered a respectable and an honourable profession. Highly educated and ambitious people, both men and women are getting into the profession of sales because of such changed attitude. Besides, the job of the modern salesman is challenging, rewarding, respectable and absorbing.

Another significant aspect of modern day salesmanship is the emergence and growth of selling services. They are basically intangible or impersonal activities which are offered for sale or in connection with sale of goods. Services may be either consumer related or industry related. Consumer services include hotel, personal care like beauty parlour, hair care, entertainment, transport, communication, insurance, banking, etc. Industrial services include transport warehousing, insurance, banking, advertising, engineering, sales promotion, consultancy like legal, health, etc. Thus, as we see, individuals as well as industries and business houses require these services. Professionals rendering these services require high level of knowledge and skill of salesmanship since they have to sell intangibles or impersonal activities. These service salesmen usually form firms and companies for enlarging their scope of selling.

Thus, the concept of selling has undergone a lot of change over the years. It is quite different from the earlier concept. In the past, the salesman, used to take orders and his job was more on less routine and mechanical. He used to show goods, wait for an order and receive payment. He made little attempt to guide, help or persuade the customer in the process of selling.

Modern selling, on the other hand, is creative. The salesman always attempts to create needs, makes the prospective buyers aware of such needs and uses his resourcefulness and imagination to persuade them to buy products and services in order to satisfy their needs. A modern day sale does not simply mean getting rid of a product or a service. Salesmanship is not an effort to sell; it is making the customer buy a product or service. It is necessarily an act of assisting the customers to buy wisely and be benefited out of the purchase so made. Thus modern day salesmanship is more of a skill or an art of persuading the consumers to achieve favourable results in the form of sales. In fact, it is a service that is serving the cause of human civilisation better.

SALESMANSHIP: MEANING AND DEFINITION

Basically, salesmanship is the knack of selling a product or service. It is the art of convincing the customer to buy a given product or service. Authors have given a variety of definitions of salesmanship. According to National Association of Marketing Teachers of America "Salesmanship is the ability to persuade people to buy goods or services at a profit to the seller and benefit to the buyers". Stated otherwise "it is the ability to induce others to accept a benefit at a fair price, the benefit being the service rendered".

Professor Stephenson defines salesmanship as: a "concise effort on the part of the seller to induce a prospective buyer to buy even if he had not thought of it favourably."

Gauss, Weightman and Bates observe: "salesmanship consists of persuading people to buy what you have for sale, in making them want it, in helping to make their minds."

E. F. Schumaker defined selling as "the process effecting the transfer with a profit to buyer and seller of goods and services that give them lasting satisfaction that the buyer is predisposed to come back to the seller for more of the same".

According to American Marketing Association, "salesmanship is an oral presentation in a conversation with one or more prospective customers for the purpose of making sales".

According to C.A. Paderson, "salesmanship is the process whereby a seller ascertains and activates the needs or wants of the buyer and satisfies these needs and wants to the mutual continuous advantage of both the buyer and seller".

In a nutshell, salesmanship is the skill and the ability of a person in convincing the other about the proposition of goods or services so that the latter is automatically induced to desire and buy them at a price which is profitable to both. Salesmanship is the skill of creating an attitude in the mind of the buyer to buy a product or service. As a matter of fact, it is not an effort to sell; it is the effort to make the buyer buy a product or service. Salesmanship is the skill of creating an attitude in the mind of the buyer to buy a product or service. If we closely observe the above definitions, we find certain essential features of salesmanship. They can be enumerated as follows:

1. Salesmanship is the ability to persuade

Persons involved in the selling process usually possess the necessary skill and ability to convince others. Salesmanship essentially involves the ability to influence or persuade people to buy a product or service. In fact, persuasion is the soul of modern salesmanship. Gone are the days when a sale was forced on the customers. Modern salesmanship does not rely on pressure tactics or compulsion to clinch a sale. The customer is led to a favourable buying decision through careful and imaginative handling. The salesman necessarily creates a favourable impression on the prospective buyer's mind by presenting the benefits associated with the product or service being offered for sale.

2. Salesmanship benefits both the buyer and seller

Salesmanship is founded on the rock of mutual benefit. Since the salesman is the link between the seller and the buyer, it is always ensured that both the parties involved in the selling process are benefited. He ascertains that his employer (the seller) earns profit out

of the sale and the customer derives the desired benefits out of the purchase. Thus, salesmanship is beneficial to both consumers and producers.

3. Salesmanship stands for commercial honesty

Ideal salesmanship necessarily depends on the principle that honesty is the best policy. Unlike the earlier concept of fraudulent transaction, modern salesmanship operates on the principle of commercial honesty. Today's salesman seldom resorts to duping or cheating customers in the selling process because it can never create permanent customers. A good salesman rather guides the customers in buying goods or services which provides utmost satisfaction and value for the money spent by them.

4. Salesmanship aims at winning the buyers' confidence

Modern salesmanship usually does not employ dubious methods to influence buyers. On the contrary, it always aims at winning the confidence of the buyers by persuading and educating them about the availability of products and services, their special features and their utility in satisfying their respective needs.

5. Ideal salesmanship aims at serving the producer, distributor and consumer

The salesman helps the producers in disposing of their goods at a profit. The manufacturer usually produces in large scale in anticipation of demand. In the world of stiff market competition, salesmen facilitate sales at a profit. For the distributor, the salesman makes the distribution process smooth and easy by creating, maintaining and extending sales. Above all, the salesman guides the consumer in the proper and wise selection of product or service. Thus, modern salesmanship looks after the respective interests of the producer, distributor and consumer in the sales process.

6. Salesman acts as a link between the seller and the consumer

Salesman always acts as a link between the seller and the buyer. He ascertains that the seller makes profit as a result of the sale and the customer also derives benefits by purchasing the goods or services offered for sale.

7. Salesmanship is an educative process

Salesmanship not only sells products or services but also educates people about their needs as well as the way in which they could satisfy those needs. Salesman performs the function of educating the customers about their needs and the satisfaction thereof through the purchase of goods and services.

8. Salesmanship creates satisfied customers

Salesmanship in modern days aims at creating satisfied customers, rather than just profit-generating sales. In any marketing transaction, a sale once made would indicate the end of the process. However, once there is a satisfied customer, it is the beginning of a long lasting relationship which can create many more sales in future. Therefore, modern salesmanship always aims at creating satisfied customers who will most likely purchase his goods and services as when necessary.

IS SALESMANSHIP AN ART OR A SCIENCE ?

The most common question which arises with the discussion of a new subject is, whether it is an art or a science or both or something else? Such a question demands a precise answer since a variety of opinions exist about a salesman. One group is of the view that 'salesmen are made' whereas another group opines that 'salesmen are born'. To others, salesmen are both born and made. Since there are conflicting opinions about salesmanship, it is necessary to decide whether salesmanship is an art or a science. An art is defined as 'skill in performance acquired by study, observation and experience'. It is knowledge made efficient by skill and experience. Hence dancing, singing, acting, writing, etc. are considered as arts. Besides, art can be developed to a great extent by systematic application of skill and effort. Viewed from this angle, salesmanship can be considered as an art. Success in a specific art requires certain qualities which is achieved by practical knowledge and experience. To be successful in salesmanship, application of knowledge and experience is essential as is the case with other professions.

Science is defined as 'systematised knowledge'. Science is a branch of knowledge based on laws of derivations from facts or deductions from self evident truths. It confirms to certain laws, theories and techniques. The laws of science have universal applicability. In other words, they hold good under any situation, at any time, at any place on earth.

Hence, mathematics, physics, chemistry, are regarded as science. Salesmanship may also be considered as science on the basis that salesmanship is a specialised knowledge that has its own standards, principles and theories. It has already developed a systematised knowledge of its own like the other subjects of science. However, these rules and principles cannot be applied to each and every one in the world since all human beings are not equal. No doubt, although a majority of the customers can be convinced by a particular line of approach and behaviour of the salesman, the same cannot be applied to all customers and it may not be successful in each and every case. This is so because the process of handling customers can never be reduced to unchangeable laws and rigid principles. Thus, salesmanship is not exact science like physics or mathematics. It is science based on human psychology. It can be considered as a science like sociology or economics.

Therefore we can conclude that salesmanship is both an art and a science. There exist some definite rules and principles in salesmanship as in science. Salesmanship also requires certain talents which can be acquired through experience and regular practice as in arts.

IS SALESMANSHIP A PROFESSION ?

According to the Concise Oxford Dictionary, 'a profession is a "vocation, especially one that involves any branch of learning or science". Profession may be defined as an employment not mechanical but requiring some degree of skill.

Most often the question is raised whether salesmanship is a profession or not. In order to ascertain the same, the basic characteristics of profession should be discussed in detail. A profession has the following characteristics:

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ISBN : 9788125911623

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Type the URL : <http://www.kopykitab.com/product/3866>



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