

PERSONAL SELLING PROCESS

Gheorghe MEGHIȘAN, PhD Professor
University of Craiova

Key words: personal selling, buyer, prospect, sales force

Promotion is communicating with potential customers. Almost every company can benefit from personal selling. While face-to-face with prospects, salespeople can get more attention than an advertisement or a display. They can adjust what they say or do to take into consideration culture and other behavioral influences on the customer. They can ask questions to find out about a customer's specific interests. They can also stay in tune with the prospect's feedback and adjust the presentation as they move along. If-and when-the prospect is ready to buy, the salesperson is there to ask for the order.

Selling, and particularly order getting, is a complicated activity that involves building buyer-seller relationships. Although the salesperson-customer interaction is essential to personal selling, much of a salesperson's work occurs before this meeting and continues after the sale itself. The **personal selling process** consists of six stages: (1) prospecting, (2) preapproach, (3) approach, (4) presentation, (5) close, and (6) follow-up (Table 2).

Table 2

Stages and objectives of the personal selling process

STAGE	OBJECTIVE	COMMENTS
Prospecting	Search for and qualify prospects	Start of the selling process: prospects produced through advertising, referrals, and cold canvassing.
Preapproach	Gather information and decide how to approach the prospect	Information sources include personal observation, other customers, and own salespeople.
Approach	Gain prospect's attention, stimulate interest, and make transition to the presentation	First impression is critical; gain attention and interest through reference to common acquaintances, a referral, or product demonstration.
Presentation	Begin converting prospect into a customer by creating a desire for the product or service	Different presentation formats are possible; however, involving the customer in the product through attention to particular needs is critical; important to deal professionally and ethically with prospect skepticism, indifference, or objections.
Close	Obtain a purchase commitment from the prospect and create a customer	Salesperson asks for the purchase; different approaches include the trial close and assumptive close.
Follow-up	Ensure that the customer is satisfied with the product or service	Resolve any problems faced by the customer to ensure customer satisfaction and future sales possibilities.

Source: Berkowitz, Eric N., Kerin, Rober A and Rudelius, William (1993), Marketing, ed. IRWIN: Boston

Prospecting. Personal selling begins with *prospecting*—the search for and qualification of potential customers. For some products that are one-time purchases such as encyclopedias, continual prospecting is necessary to maintain sales. There are three types of prospects. A *lead* is the name of a person who may be a possible customer. A *prospect* is a customer who wants or needs the product. If an individual wants the product, can afford to buy it, and is the decision maker, this individual is a *qualified prospect*.

Leads and prospects are generated using several sources. The enterprise can supply its sales force with different sources, but the sales person initiative is indispensable. This initiative can have different forms: consulting a variety of sources such as the professional press magazines, the Internet sites, the year books on paper or CD format (Kompass, SIRENE, etc); taking advantage of different events (congresses) where there are good chances to meet prospects; determining the clients to give names of potential buyers; appealing to the distributors, retailers, the other sales persons and bankers; contacting the professional associations where the prospects are taking part in; participating to congresses and conferences or writing articles in press magazines in view of increasing its visibility. [Kotler, Philip, 2006]

Another approach for generating leads is through *cold canvassing* in person or by telephone. This approach simply means that a salesperson may open a telephone directory, pick a name, and visit or call that individual. Although the refusal rate is high with cold canvassing, this approach can be successful. Cold canvassing is often criticized by consumers and is now regulated. A recent survey reported that 75 percent of U.S. consumers consider this practice an intrusion on their privacy and 72 percent find it distasteful. [Zandl Irma, 1992] The Telephone Consumer Protection Act of 1991 contains provisions to curb abuses such as early morning or late night calling.

A sales person must analyze the tracks to focalize on the most fertile ones. So, the salesman has to take into consideration the financial viability of every prospect, his turnover, his localization and the probability of establishing a long term commercial relationships.

Preapproach. Once a salesperson has identified a qualified prospect, preparation for the sale begins with the Preapproach. The *preapproach* stage involves obtaining further information on the prospect and deciding on the best method of approach. Activities in this stage include finding information on who the prospect is, how the prospect prefers to be approached, and what the prospect is looking for in a product or service. For example, a stockbroker will need information on a prospect's discretionary income, investment objectives, and preference for discussing brokerage services over the telephone or in person. For industrial products the preapproach involves identifying the buying role of a prospect (for example, influencer or decision maker), important buying criteria, and the prospect's receptivity to a formal or informal presentation. Identifying the best time to contact a prospect is also important. For example, Northwestern Mutual Life Insurance Company suggests the best times to call on people in different occupations: dentists before 9:30 A. M., lawyers between 11:00 A.m. and 2:00 P.m., and college professors between 7:00 and 8:00 P.M. [Marks Ronald B, 1988]

Approach. The *approach* stage involves the initial meeting between the salesperson and prospect, where the objectives are to gain the prospect's attention, stimulate interest, and build the foundation for the sales presentation itself and the basis for a working relationship. The first impression is critical at this stage, and it is common for salespeople to begin the conversation with a reference to common acquaintances, a

referral, or even the product or service itself. Which tactic is taken will depend on the information obtained in the prospecting and preapproach stages.

The approach stage is very important in international settings. In many societies outside the United States, considerable time is devoted to nonbusiness talk designed to establish a rapport between buyers and sellers. For instance, it is common that two or three meetings occur, before business matters are discussed in the Middle East and Asia.

Presentation. The *presentation* is at the core of the order-getting selling process, and its objective is to convert a prospect into a customer by creating a desire for the product or service. Three major presentation formats exist: (1) stimulus-response format, (2) formula selling format, and (3) need-satisfaction format.

Stimulus-Response Format. The stimulus-response presentation format assumes that given the appropriate stimulus by a salesperson, the prospect will buy. With this format the salesperson tries one appeal after another, hoping to "*hit the right button*". A counter clerk at McDonald's is using this approach when he or she asks whether you'd like an order of french fries or a dessert with your meal. The counter clerk is engaging in what is called suggestive selling. Although useful in this setting, the stimulus-response format is not always appropriate, and for many products a more formalized format is necessary.

Formula Selling Format. A more formalized presentation, the formula selling presentation format, is based on the view that a presentation consists of information that must be provided in an accurate, thorough, and step-by-step manner to inform the prospect. A popular version of this format is the canned sales presentation, which is a memorized, standardized message conveyed to every prospect. Used frequently by firms in telephone and door-to-door selling of consumer products (for example, Fuller Brush Company and Encyclopaedia Britannica), this approach treats every prospect the same, regardless of differences in needs or preference for certain kinds of information. Canned sales presentations can be advantageous when the differences between prospects are unknown or with novice salespeople who are less knowledgeable about the product and selling process than experienced salespeople. Although it guarantees a thorough presentation, it often lacks flexibility and spontaneity and, more important, does not provide for feedback from the prospective buyer—a critical component in the communication process and the start of a relationship.

Need-Satisfaction Format. The stimulus-response and formula selling formats share a common characteristic: the salesperson dominates the conversation. By comparison, the need-satisfaction presentation format emphasizes probing and listening by the salesperson to identify needs and interests of prospective buyers. Once these are identified, the salesperson tailors the presentation to the prospect and highlights product benefits that may be valued by the prospect. The need-satisfaction format, which emphasizes problem solving, is the most consistent with the marketing concept. Two selling styles are associated with this format. Adaptive selling involves adjusting the presentation to fit the selling situation, such as knowing when to offer solutions and when to ask for more information.

Consultative selling focuses on problem identification, where the salesperson serves as an expert on problem recognition and resolution. Both styles are used for industrial products such as computers and heavy equipment. Many consumer service firms such as brokerage and insurance firms and consumer product firms like AT&T and Gillette also subscribe to these selling styles.

Handling Objections. A critical concern in the presentation stage is handling objections. *Objections* are excuses for not making a purchase commitment or decision. Some objections are valid and are based on the characteristics of the product or service or price. However, many objections reflect prospect skepticism or indifference. Whether valid or not, experienced salespeople know that objections do not put an end to the presentation. Rather, techniques can be used to deal with objections in a courteous, ethical, and professional manner. The following six techniques are the most common [Balsley Ronald D, 1978]:

1. Acknowledge and convert the objection. This technique involves using the objection as a reason for buying. For example, a prospect might say, "*The price is too high.*" The reply: "*Yes, the price is high because we use the finest materials. Let me show you....*"
2. Postpone. The postpone technique is used when the objection will be dealt with later in the presentation: "*I'm going to address that point shortly. I think my answer would make better sense then.*"
3. Agree and neutralize. Here a salesperson agrees with the objection, then shows that it is unimportant. A salesperson would say: "*That's true and others have said the same. However, they concluded that issue was outweighed by the other benefits.*"
4. Accept the objection. Sometimes the objection is valid. Let the prospect express such views, probe for the reason behind it, and attempt to stimulate further discussion on the objection.
5. Denial. When a prospect's objection is based on misinformation and clearly untrue, it is wise to meet the objection head on with a firm denial.
6. Ignore the objection. This technique is used when it appears that the objection is a stalling mechanism or is clearly not important to the prospect.

Each of these techniques requires a calm, professional interaction with the prospect, and is most effective when objections are anticipated in the preapproach stage. Handling objections is a skill requiring a sense of timing, appreciation for the prospect's state of mind, and adeptness in communication. Objections also should be handled ethically. Lying or misrepresenting product or service features are grossly unethical practices.

Close. The *closing* stage in the selling process involves obtaining a purchase commitment from the prospect. This stage is the most important and the most difficult because the salesperson must determine when the prospect is ready to buy. Telltale signals indicating a readiness to buy include body language (prospect reexamines the product or contract closely), statements ("*This equipment should reduce our maintenance costs*"), and questions ("*When could we expect delivery?*").

The close itself can take several forms. Three closing techniques are used when a salesperson believes a buyer is about ready to make a purchase: (1) trial close, (2) assumptive close, and (3) urgency close. A *trial close* involves asking the prospect to make a decision on some aspect of the purchase: "*Would you prefer the blue or gray model?*" An *assumptive close* entails asking the prospect to make choices concerning delivery, warranty, or financing terms under the assumption that a sale has been finalized. An *urgency close* is used to commit the prospect quickly by making reference to the timeliness of the purchase: "*The low interest financing ends next week,*" or "*That is the last model we have instock.*" Of course, these statements should be used only if they accurately reflect the situation; otherwise, such claims would be unethical. When a prospect is clearly ready to buy, the final close is used and a salesperson asks for the

order. Knowing when the prospect is ready to buy becomes even more difficult in cross-cultural buyer-seller negotiations where societal customs and language play a large role.

Follow-up. The selling process does not end with the closing of a sale; rather, professional selling requires customer follow-up. One marketing authority equated the follow-up with courtship and marriage [Levitt Theodore, 1983], by observing, "...*the sale merely consummates the courtship. Then the marriage begins. How good the marriage is depends on how well the relationship is managed.*" The *follow-up* stage includes making certain the customer's purchase has been properly delivered and installed and difficulties experienced with the use of the item are addressed.

It is important that the salesman follows the client to get informed of his satisfaction degree and, maybe, his probability of repurchase. Once the sale is done, the sales person must give all the complementary information regarding the distribution delays, paying terms or the service after the sales. It is often recommended to make a control visit after the reception of the merchandize to verify that everything is all right. A such visit permits to detect a certain problem, to reveal the interest of the salesman in his client and to assure the customer that he has taken the right decision.

THE ALCOA'S CASE

Alcoa is a major supplier of sheet aluminum and special metal alloys, to manufacturers who make a wide variety of products-ranging from soft-drink cans to airplanes, like Boeing's new 777 jet. To do a better job of meeting its customers' needs, Alcoa has made a company wide commitment to constantly improve the quality of its offerings. Alcoa recognizes that understanding and meeting customer requirements is what quality is all about. As the cover of its recent annual report states: "Customer satisfaction comes from listening, learning, understanding customer needs and continuously improving the value we provide. Our best customer relationships become long-term partnerships."

Alcoa's salespeople are at the heart of that listening, teaming, and understanding process. To make the partnership a profitable success, both for Alcoa and for the customer, they perform many sales tasks. For example, with a customer like Boeing, a salesperson must work closely with engineers, purchasing people, production people, and the other purchase influences to understand their needs-and to help find solutions to those needs. Specialists help resolve the technical challenges. But the salespeople need real skill to get the order and close the deal. That's just the start. An Alcoa salesperson is there all along the way to provide technical support after the sale, ensure all orders meet Boeing's exact quality specifications, and promptly resolve any problems that may arise.

To be certain that these challenging jobs are done well, Alcoa recruits good people and then provides the sales training to make them even better. New people may need training to build professional problem-solving and sales presentation skills. Even experienced sales reps need ongoing training. For example, Alcoa gives its salespeople training in the firm's new quality programs and how they relate to customer needs.

Different salespeople have different skills and experience. So Alcoa must carefully match them to particular territories, customers, and product lines. And to be sure that each salesperson is highly motivated, Alcoa's sales managers must make certain that sales compensation arrangements motivate and reward sales people for producing needed results.

In conclusion, personal selling involves the two-way flow of communication between a buyer and a seller, often in a face-to-face encounter, designed to influence a person's or group's purchase decision. Personal selling plays a major role in a firm's marketing effort. Salespeople occupy a boundary position between buyers and sellers; they are the company to many buyers and account for a major cost of marketing in a variety of industries, and they can create value for customers.

Good salespeople don't just try to sell the customer. Rather, they try to help the customer buy-by understanding the customer's needs and presenting the advantages and disadvantages of their products. Such helpfulness results in satisfied customers-and long-term relationships. And strong relationships often form the basis for a competitive advantage, especially for firms that target business markets.

The personal selling process means to master the prospecting, preapproach, approach, presentation, close, and follow-up. The marketing optique emphasizes the salesman capacity to listen to the client and understand his needs and thus, revealing to his an adapted solution.

REFERENCE

1. Balsley, Ronald D and Birsner, Patricia E (1987), *Selling: Marketing Personified*, Hinsdale: Dryden Press
2. Berkowitz, Eric N., Kerin, Rober A and Rudelius, William (1993), *Marketing*, ed. IRWIN: Boston
3. Kotler, Philipe, Keller, Kevin L., Buboiss, Bernard and Manceau, Delphine (2006), *Marketing management*, Paris, ed Pearson Education
4. Levitt, Theodore (1983), *The Marketing Imagination*, New York: Free Press
5. Marks, Ronald B (1988), *Personal Selling: An Integrative Approach*, Boston: ed. Allyn&Bacon
6. McCarthy, Jerome E. and Perreault, William D. (1993), *Basic Marketing: a global managerial approach*, ed. IRWIN: Boston
7. Richman, Tom (1988), *Seducing the consumer: Dale Ballard's Perfect Selling Machine*. Boston : ed Irwin
8. Zandl, Irma and Leonard, Richard (1992), *Targeting the Trendsetter Consumer*, Boston: ed. Homewood