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PERSONAL SELLING AND SALESMANSHIP

B.C.O.S.- 186

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PUBLICATIONS**

(Publishers of Educational Books)

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Website: www.neerajbooks.com

MRP ₹ 280/-

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**Sample Preview
of the
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QUESTION PAPER

June – 2024

(Solved)

PERSONAL SELLING AND SALESMANSHIP

B.C.O.S.-186

Time: 3 Hours]

[Maximum Marks: 100

Note: Answer any five questions. All questions carry equal marks.

Q. 1. What do you understand by creative salesmanship? Discuss the functions and duties of the salesman with the help of examples.

Ans. Ref.: See Chapter-2, Page No. 15, 'Creative Salesmanship and Functions and Duties of a Salesman'.

Q. 2. Explain the situations when one can use personal selling. Discuss the process of personal selling with examples.

Ans. Ref.: See Chapter-1, Page No. 2, 'When to use Personal Selling' and Page No. 5, 'Process of Personal Selling'.

Q. 3. (a) Discuss the sales management process with the help of examples.

Ans. Ref.: See Chapter-3, Page No. 29, Q. No. 1.

(b) How can a salesperson use buying motives in personal selling? Discuss.

Ans. Ref.: See Chapter-5, Page No. 48, 'Meaning of Buying Motives', 'Importance or Application of Buying Motives in Personal Selling' and Page No. 49, 'Types of Buying Motives'.

Q. 4. Explain the financial and non-financial techniques available for motivating the salesperson with examples.

Ans. Ref.: See Chapter-7, Page No. 72, 'Motivational Techniques for the Salespersons'.

Q. 5. (a) Who is a prospect in personal selling? Explain various types of prospects in sales.

Ans. Ref.: See Chapter-9, Page No. 98, Q. No. 4.

(b) Discuss various techniques of sales presentation with the help of examples.

Ans. Ref.: See Chapter-9, Page No. 93, 'Tools and Techniques of Sales Presentations and Demonstrations, Page No. 94, Steps Involved in Sales Presentation and Demonstration, Types of Sales Presentations and Demonstration'.

Q. 6. "It is important to follow a process during personal selling." Discuss the sales process with examples in the light of this statement.

Ans. Ref.: See Chapter-1, Page No. 1, 'Personal Selling' and Chapter-8, Page No. 80, 'Steps of Sales Process'.

Q. 7. What do you understand by sales report? Discuss the objectives and salient features of a good sales report.

Ans. Ref.: See Chapter-11, Page No. 118, Q. No. 1 and Page No. 121, Q. No. 5.

Q. 8. Write explanatory notes on any two of the following:

(a) Sales code of conduct.

Ans. Ref.: See Chapter-12, Page No. 130, 'Template for a Sales Code of Conduct Document'.

(b) Professional Salesmanship.

Ans. Professional salesmanship refers to the art and science of selling products or services while maintaining

high ethical standards and using advanced techniques to achieve sales goals. It involves a deep understanding of both the product and the customer's needs, enabling the salesperson to effectively communicate value and build lasting relationships with clients.

Key Components of Professional Salesmanship:

1. Product Knowledge: A professional salesperson must have in-depth knowledge of the product or service they are selling. This includes features, benefits, uses, pricing, and how it compares to competitors' offerings.

2. Understanding Customer Needs: Successful salesmanship involves identifying the specific needs and pain points of the customer. This allows the salesperson to tailor their pitch, demonstrating how the product or service solves the customer's problem.

3. Communication Skills: Clear, concise, and persuasive communication is critical in salesmanship. A professional salesperson uses verbal and non-verbal cues effectively to engage customers and convey the value of the offering.

4. Building Trust and Relationships: Establishing a relationship based on trust is vital in professional salesmanship. This requires honesty, transparency, and following through on promises to foster long-term business relationships.

5. Ethical Selling: Professional salespeople adhere to ethical standards by providing truthful information, avoiding manipulative tactics, and ensuring that the customer's best interest is prioritized in the sales process.

6. Negotiation Skills: Salesmanship often involves negotiating terms and prices to meet both the customer's and the company's needs. A professional negotiator seeks win-win solutions to ensure customer satisfaction while maintaining profitability.

7. Closing the Sale: The ability to effectively close a deal is a key aspect of professional salesmanship. This involves recognizing buying signals, addressing final objections, and helping the customer make the purchasing decision.

8. After-Sales Service: Maintaining contact and providing excellent after-sales service ensures customer satisfaction and encourages repeat business. This is crucial for building a loyal customer base.

(c) Presentation and demonstration.

Ans. Ref.: See Chapter-9, Page No. 97, Q. No. 1.

(d) Selling vs. Marketing.

Ans. Ref.: See Chapter-3, Page No. 25, 'Difference Between Selling and Marketing'.

■ ■

Sample Preview of The Chapter

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PERSONAL SELLING AND SALESMANSHIP

BLOCK-1 : PERSONAL SELLING AND SALES MANAGEMENT



Introduction to Personal Selling

INTRODUCTION

One of the four pillars of the marketing mix, which you have read about, is promotion. The ultimate goal of promotion is to engage with customers and convince them to make a purchase, which will increase the company's sales. Other names for it include promotion mix and communication mix. Advertising, personal selling, sales promotion, and public relations are some of the techniques in the promotion mix. The two most important components of communication are personal selling and advertising.

To sell a product, advertising uses impersonal mass media like TV, newspapers, hoardings, radio, and digital media to reach a broad audience of consumers. Selling a product through personal contact is known as personal selling. It is a procedure where a salesperson tries to persuade a customer to buy a product by speaking with them directly or reaching out to them online via email, video conference, etc. In order to persuade a single or small group of potential customers to buy goods and services, direct and personal communication is required. To sum up, personal selling is a component of the promotion mix that entails two-way, person-to-person conversation with the goal of raising awareness of the product and services and selling them.

CHAPTER AT A GLANCE

PERSONAL SELLING

Personal selling is the oral presentation made during an interaction with one or more potential customers with the goal of closing a sale, according to the American Marketing Association.

A face-to-face engagement with one or more potential customers for the purposes of giving presentations, responding to inquiries, and securing purchases is what Philip Kotler refers to as "personal selling."

Nature of Personal Selling

Personal selling is a two-way conversation where the salesman answers the customer's questions and addresses their objections while educating the

customer about the features, advantages, price, delivery, etc., of the product.

1. The goals of (i) selling the product and (ii) forming enduring relationships with clients are both achieved through personal selling.

2. **B2B and B2C selling:** In B2B selling scenarios, personal selling is typically used as a primary component of the promotion mix. While in B2C selling scenarios, advertising is a key component. Advertising and personal selling could both be employed as minor components of B2B and B2C sales, respectively.

3. Personal selling is both an art and a science. Because salespeople employ their creative talents to make their final offers to customers in a distinctive manner, it is regarded as an art. It is regarded as a science because salespeople use the stages of the selling process and consumer behavior principles as the foundation of their presentations to persuade customers to make a purchase.

4. Sales representatives, salespeople, account executives, sales consultants, sales engineers, field representatives, agents, service representatives, marketing representatives, etc., are all terms that salespeople may use.

5. **Offline methods:** Salespeople can contact potential clients through offline techniques including in-person meetings or phone calls.

6. **Online methods:** Contacting clients via email, social media, and other online channels.

7. **Selling and Non-Selling Activities:** Selling and non-selling activities can both be a part of personal selling. Finding new clients, getting in touch with them, giving presentations, and getting sales orders from them are examples of selling activities.

Growing Importance of Personal Selling

The development of technology has made it possible for buyers and sellers to engage via video conference, email, etc. Now, businesses may use personal selling to reach their clients all over the world. Use of microchips, artificial intelligence, online services, etc., are a few examples.

CHARACTERISTICS OF PERSONAL SELLING

The main features of personal selling and how they differ from advertising.

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1. Buyer-seller interaction: Unlike in personal selling, when communication is two-way between the salesperson and the potential customer, advertising communication is one-way from seller to consumers.

2. Direct communication: In advertising, the message is distributed in an impersonal manner through mass media, such as television, newspapers, billboards, radio, and digital media, whereas in personal selling, salespeople directly communicate with customers.

3. Push strategy: In personal selling, salespeople teach customers about the product and push them to make a purchase. Because the product is pushed in the direction of consumers, it is known as a “push strategy.”

4. Customization and personalization: In advertising, messages are standardized, meaning that the same message is communicated to all customers through advertisements. However, salespeople have the option of tailoring the message to each potential customer.

5. Human element: A salesperson establishes a personal connection with customers for a business. In order to transmit messages to the consumer, it therefore entails using non-verbal communication like as body language, tone, appearance, etc., in addition to verbal communication.

6. More engaging: The real-time sales presentation and demonstration increases the buyers' experience and engagement.

7. Quick response: In the case of personal selling, direct communication enables the seller to assess the reaction and purchasing intent of potential customers.

8. Customer feedback: Two-way communication enables customers to provide comments on the product, price, and how it compares to similar products, among other things.

9. Cultivating relationships: In the case of personal selling, direct communication enables the seller to assess the reaction and purchasing intent of potential customers.

TYPES OF SELLING SITUATIONS

Salespeople work in variety of selling situations, which can be classified broadly as follows:

1. Based on type of consumers:

Existing customers and New customers : Selling to win over new clients who haven't used the product or have been utilizing a rival's. Developmental selling issue is what it is called. Compared to selling to current consumers, it is a harder job. Repeat business from the current clients of the business is targeted at them. In order to keep selling to past clients, it might also necessitate maintaining ties with them. Selling to current consumers is less expensive and time-consuming. It is also known as a service selling circumstance.

2. Based on type of market:

Business to Consumer (B2C) and Business to Business (B2B) : B2B salespeople sell to other businesses who will use the product for use in the manufacturing of goods or to carry out their business

operations (such as office supplies) or for resale to other consumers, such as wholesalers or retailers, as opposed to B2C salespeople who sell to consumers for their own personal use.

3. Based on type of product:

Consumer products and industrial products :

When selling industrial products to other businesses, personal selling is a key component of the communication strategy. It can entail frequent visits from salespeople, discussions, and a stronger focus on forging connections with client organizations. Consumer non-durables like shampoo and bread are given to the customer by the salesman, and there is little room for use of persuasion with these products.

In contrast, a salesperson's primary responsibility is to sell customers consumer non-durables like a TV, laptop, or car.

WHEN TO USE PERSONAL SELLING

Depending on the company's marketing plan and business model, personal selling may not be the best method for every good or service, when they offer expensive, highly specialized, or highly technical goods or services, such as expensive homes, cars, or complicated software systems.

Additionally, there are some circumstances that support personal selling:

1. Product situation: When a product is high unit value (expensive office equipment, such as a digital Xerox machine), highly technical (complex software), in the early stages of its life cycle and needs to educate consumers (robotic machinery), needs individualized attention for the needs of the consumer (real estate), or requires product demonstration or after-sales services, personal selling is generally more effective (manufacturing machinery).

2. Market situation: Personal selling is appropriate when a company exclusively sells to small or local markets or when it has a limited number of large-scale customers (selling machinery to textile manufacturing enterprises only) (selling tiffin box facility to nearby customers only).

3. Company situation: Personal selling is most effective when a business cannot afford to spend a lot of money on consistent promotion.

4. Consumer behavior situation: When a customer purchases a valued and infrequently used product, personal selling is appropriate. Customers, for instance, enjoy interacting with salespeople in person before making a car purchase.

DIFFERENT ROLES OF PERSONAL SELLING

Different selling methods and shifting salesperson roles are required for a wide range of selling situations. These are often categorized as:

1. Communication strategies: The primary responsibility of a salesperson is to provide prospective customers with information about a product, its pricing, delivery, and service plans to aid in their purchasing choice.

2. Persuasion strategies: The role of the salesman places more focus on persuading the

INTRODUCTION TO PERSONAL SELLING / 3

potential client to buy by aligning the benefits of the product with the need and satisfaction of the consumer.

3. Negotiation strategies: When selling to other businesses, it may be necessary to negotiate the product specifications to be offered, as well as other factors like prices, after-sale services, etc.

4. Client-profit planning strategy: In industrial selling of high priced, technical products, there is sharing of information by the buyer company with the salespersons about its different areas of operations, future plans, R&D, finance, logistics etc.

ADVANTAGES AND DISADVANTAGES OF PERSONAL SELLING

Advantages: The following are some benefits of personal selling:

1. Two-way communication: In personal selling, there is a chance for buyer-to-seller and seller-to-buyer conversation.

2. Flexibility in communication: One key benefit of personal selling is the ability to adapt sales presentations to various scenarios and customers. Salespeople can modify their presentations to suit the wants, motivations, and actions of certain clients.

3. Sharp focus on target customers: When using personal selling, only potential clients are the focus of the selling effort. As a result, it reduces unnecessary effort, which is impossible in advertising. Advertisements can potentially reach a huge number of people who are not in the product's intended market.

4. Personal attention and detailed presentation: All the information necessary to prepare and deliver a sales presentation is gathered on each prospect. Every customer receives individualized attention, and it is feasible to provide thorough product demonstrations and respond to consumer inquiries.

5. Instant feedback: Salespeople receive immediate feedback from consumers regarding their intent to buy or not to buy, and they may also be aware of the reason why they choose not to.

6. Measuring effectiveness: Another benefit of personal selling is that the outcomes of time and money invested in personal selling efforts can be more easily evaluated. Number of sales calls made, quantity and size of sales orders, costs incurred, and revenues realized can all be used to gauge success.

7. Getting customer's attention: Personal selling relies on one-on-one interactions that make it simpler to capture the client's interest, address their concerns, and inspire a purchase.

8. Performing additional tasks: The salesperson can accomplish a variety of tasks through personal selling. For instance, in addition to selling, a salesman can handle non-selling duties including after-sales support, money collection, and customer feedback gathering for the business.

Disadvantages of Personal Selling: The following are some drawbacks of personal selling:

1. Higher costs: One of the drawbacks of personal selling is its high cost of hiring, training, compensating, and selling charges for salespeople's travel and

housing. Although many businesses attempt to reduce expenses by paying salespeople solely through sales commissions, compensating them only when they produce sales.

2. High turnover: Another drawback of personal selling is the high turnover rate among salespeople as a result of travel issues, the lack of set hours, the pressure to make sales, the challenge of dealing with challenging clients, etc.

3. Lack of standardization in communication: Another drawback of personal selling is that salespeople from the same organization may communicate differently with consumers from one another. Customers vary from one another, and salespeople do too.

4. Salespeople may vary in their abilities and motivation: Sales team members' motivation levels may differ, which may affect how hard they try to sell. For instance, salespeople may not all be able to make the requisite number of sales calls each day or be willing to put up the necessary time to prepare for presentations, among other things.

OBJECTIVES AND FUNCTIONS OF PERSONAL SELLING

When it comes to various sorts of consumers, products, and selling strategies, salespeople execute a wide range of tasks. For instance, the exact selling tasks performed by a salesperson for a company selling huge machinery and a salesperson for a company selling modest stationary products will differ. The main goals of all the functions and operations of the sales department are to increase sales and help the business turn a profit. These goals can be split into two categories at a more detailed level: quantitative and qualitative, whereas long-term qualitative aims.

Long-term company objectives are achieved in part by the qualitative personal-selling goals, which are also long-term. Short-term quantitative goals are established and changed from one promotional programme to the next.

Qualitative Objectives

The following are the quality goals:

1. To search out prospects: Any business that wants to increase its sales and market share must continually bring on new clients.

2. Stimulating demand: Salespeople contact with customers to carry out tasks like educating and enlightening them about the product. This is known as stimulating demand. In order to increase demand for the product, they respond to their inquiries and persuade them that the product meets their wants and will provide them with benefits.

3. Informing, educating, and guiding: Salespeople may be given the task of assisting prospects in identifying their needs, supplying information to raise awareness of new products and services, educating prospective customers regarding the use of the product, and guiding them regarding the advantages of products.

4. To serve the existing customers: One goal of salespeople's personal selling efforts may be to stay

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in touch with current clients so they may provide for them in various ways. It may be used for after-sale services, teaching staff members how to use new software, offering technical support, determining whether customers are satisfied with the company's product, etc.

5. To do the entire selling job: When personal selling is the only tactic being used in the company's promotion strategy, its salespeople may be assigned with the goal of carrying out all sales-related functions, from identifying prospects to selling the product to serving current customers, providing after-sale service, and following up.

6. Developing long-term relationships with customers: Salespeople may also be given the task of making the necessary efforts to create and preserve long-lasting relationships with consumers. Activities like scheduling regular meetings and communications with current clients, setting up any after-sale assistance they might need, etc., can help to keep clients on board for a long time.

7. To collect and report market information: Salespeople work in the field and have frequent interactions with consumers. In order to help the business enhance its marketing strategy, salespeople may also be tasked with obtaining information about customer opinions of the company's products and those of its rivals.

8. Strengthening brand image, building company goodwill: Salespeople can contribute to the goal of fostering and enhancing brand image through their interactions with clients. Sales representatives, for instance, could underline how premium the product is and associate it with particular consumer lifestyles.

9. Help in launching new products in the market: In some cases, salespeople may be assigned with the goal of presenting new products to potential consumers rather than utilizing advertising to inform prospects about the new product.

10. Help in establishing market positioning: Salespeople can inform potential consumers about the brand positioning of the product through their contacts with customers.

11. Provide support to middlemen of the company: Many businesses sell their goods through unofficial channels of distribution that involve middlemen like wholesalers, merchants, agents, etc. Salespeople are frequently used by these businesses to assist these middlemen:

(i) To have enough stock of the product on hand, to provide it enough shelf space, to display it in the way you want, to use advertising and sales promotion tools like point-of-purchase displays and instructions for using them, to collect payments, etc.

(ii) To inform customers of any modifications made to the product line, such as the addition or deletion of a product item or the modification of an existing product.

(iii) To assist clients in selecting the best combination of goods from the company's product line for sale.

Quantitative Objectives

A few quantitative objectives, which are short-term goals, are also allocated to personal selling in addition to the qualitative goals described above. The following are these goals:

1. To achieve a predetermined sales volume.
2. To achieve sales volume for a predetermined number of various products in order to sell the right combination of products to support profit goals.
3. Retain personal selling expenses within predetermined ranges.
4. To acquire and hold onto a particular market share.
5. To add a certain number of new clients in the specified categories.

DIVERSITY OF PERSONAL-SELLING SITUATIONS

Customers purchase a wide range of goods and services, creating a diversity of selling circumstances and employment opportunities. Each type of selling circumstance calls for a unique selling approach with various selling actions. These include:

1. Delivery salespersons: A salesperson's main responsibility is to deliver goods to customers in order to close sales. For instance, a vegetable seller, someone who sells milk and bread in residential neighborhoods, a person who delivers Pepsi to retail stores, etc.

2. Inside order-taker: Behind the counter, in-store salesmen are inside order-takers. Customers enter retail establishments with the goal to purchase specific goods, and salespeople must accommodate their needs. Any product may be chosen by customers.

3. Outside order-taker: A salesman who visits shops and wholesalers to collect orders and assist them in their sales efforts is an outside order taker. Salespeople make phone calls to merchants to encourage them to stock and market their goods. Their main responsibility is to take stock requests.

4. Missionary salespeople: The job of a salesperson is to inform and educate people about the advantages of the items so that they can persuade customers to buy the products. Missionary salespeople do not make cold calls to ultimate customers or accept purchase orders. The goal of missionary sellers is not to close a deal and maximize their sales. Since they do not sell directly to customers, this is an example of indirect selling.

5. Support salespeople: These include merchandisers, customer service salespeople, and technical salespeople.

Technical salespeople are needed to give clients thorough information, assist with installation, and instruct them on how to use the product when a product is extremely technical and negotiations are difficult. Engineers in sales, are an example.

Retailers can get aid from **merchandisers** with shelf presentation, promotion plans, stock levels, etc.

Customer-Service salespeople: Salespeople who focus on customer service are responsible for product maintenance and, if necessary, post-purchase customer service issues.