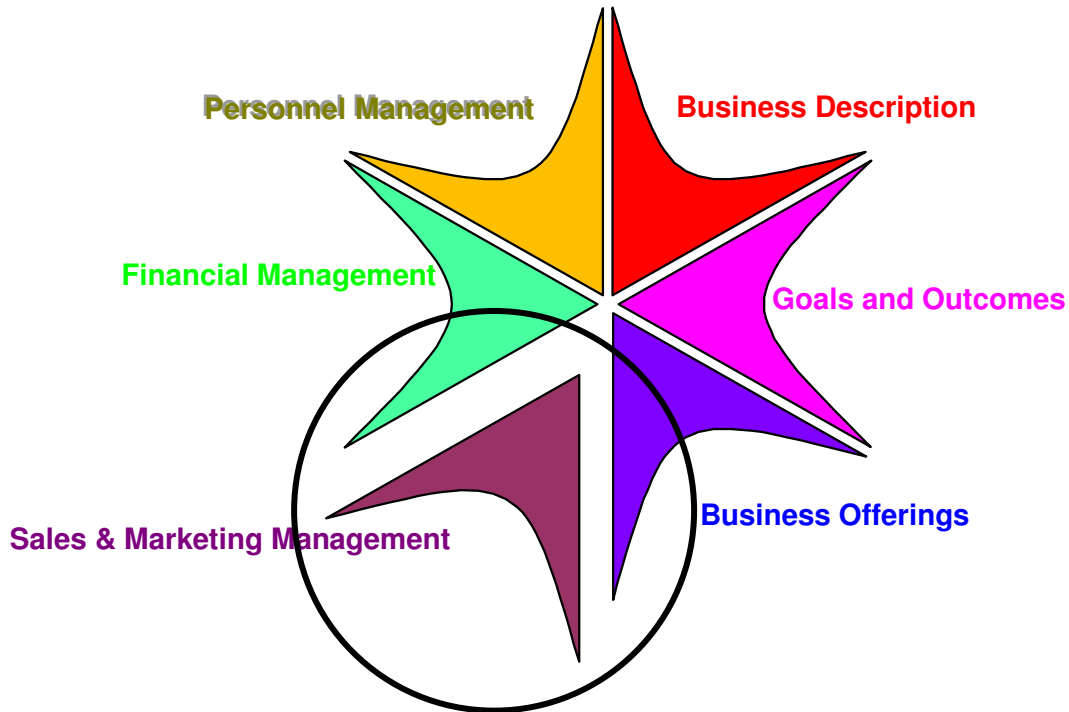


# Sales & Marketing Management



Learn Today... Profit Today

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## Marketing Management



### **General overview of marketing management**

In **Marketing Management**, we will discuss the analysis, planning, and decision making that a Marketing Manager must carry out to implement a marketing plan and a marketing strategy for a company.

The decisions the Marketing Manager makes should be based on the market research that was prepared for the company's **business plan**.

On the basis of this research the Marketing Manager will:

- Complete a thorough market analysis
- Analyzes the companies physical, financial and people resources
- Develop a marketing strategy that responds to market conditions and makes the best use of the companies resources

## The Importance of Media Planning

### Introduction

One important function of the Marketing Manager is media planning. The media events of a business shouldn't be prepared 'on the spur of the moment'. Rather, they should be an integrated part of the overall marketing activity of the business.



In addition, all of the marketing activity of a business needs to reflect the creative platform of the company.

To do that effectively, marketing activities need to be planned and coordinated. Doing so creates synergy between the marketing activities of the company.

Synergy means that by synchronizing activities more energy is created than if the activities were completed separately. By coordinating the marketing activities, the company will have a marketing program that is:

- More effective
- Economical
- More easily adjusted or adapted to market conditions
- Adaptable to the growing needs of the company

A good media plan is the result of the effective coordination of the company marketing activities.

In this section we will discuss how a typical media plan is developed and implemented.

#### **Probable, in your marketing research you have:**

- Completed a detailed market analysis
- Analyzed your customers and clients (See *The Business Plan*)
- Analyzed your competition (See *The Business Plan*)
- Analyzed your offerings (See *The Business Plan*)
- Determined how you will differentiate your business and its offerings in the market (See *The Business Plan*)
- Decided on your company's creative platform
- Prepare a comprehensive marketing plan (See *The Business Plan*)

The media plan is a major part of the marketing activity of the business. The Qualifying and Serving Customer Needs

## Introduction

In a previous section, The Art of Selling, we discussed:

Being aware of what is involved in the selling process

Identifying and qualifying the customer needs through the use of questioning techniques.

Knowing how to deal with objections, how to use different sales closing techniques and how to make presentations. It is the intention of **Qualifying and Serving Customer Needs** to add to your selling skills and awareness of the selling process by providing examples of the kinds of qualifying questions that can be applied to various selling situations.



The word qualify as it is used in sales and marketing means to define the differences or it can be to separate or identify the relative importance of any number of things, including customers and customer needs.

Qualifying questions are questions posed to customers or prospects with the intent of drawing out information that will help the salesperson arrive at conclusions pertaining to these sorts of issues.

There are three typical types of situations in selling.

1. Business-consumer selling situations
2. Business professional situations
3. Doing business with another business or doing business, on behalf of another business, with their customers situations

This material will provide you with a list of qualifying questions for each of these three types of selling. These sample questions must be adapted and modified for your business, your products/services. It is expected that you will be able to add to this list.

## Sales Staff Management



### Introduction

At the beginning of this material, we described the attributes of a good Sales and Marketing Manager. We stated that key factors in the success or failure of a business and the ability of a business to grow in an orderly and profitable way are:

- The quality of the people hired
- How well they are motivated
- How well they are directed to achieve the goals of the business


It is the responsibility of the company's Sales and Marketing Management to direct and motivate people in implementing the overall Marketing Plan and Marketing Strategies of a company. To do this requires management being constantly aware of changes in the marketplace and being able to adapt the company's people and resources to deal with these changes.

## Developing Market and Sales Force Potential

### Introduction

The sales territory manager is the salesperson who is responsible for the accounts and prospects within a geographic area. This person needs to manage their sales territory in a way that will best realize the objectives of the companies Marketing Strategy and Target Marketing Plan.

In **Developing Market and Sales Force Potential**, we will discuss how:



The sales territory manager relates their territory to the companies target marketing plan

The sales territory manager works in concert with the Sales Manager to realize the outcomes or results of the Target Marketing Plan

The Sales Manager develops the potential of the sales territory manager by ensuring attention is given to the 'five main components to territory management' below.

### How to use these materials

Examine how you presently organize field sale activity in your business and compare your approach to the ideas presented in the five main components listed below.

Ask your self what guidance is given the salesperson in your business to ensure that their field sales activity is:

- Related to the Target Marketing Plan of your business
- Will develop the potential of the target market

## What can we learn from these leadership styles?

Ask yourself the question. What kind of manager are you?

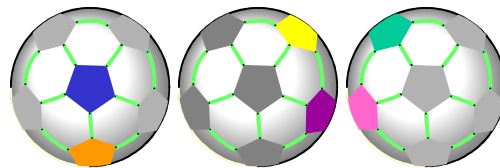


Did you see yourself in any of these management style descriptions?

The truth is that most of us are parts of all or several of these styles but are predisposed to be a combination of a couple of them.

For example, you may be a:

- **Coach/Pacesetter**
- **Authoritarian/Coercer**
- **Facilitator/Democrat**



If you want to develop your abilities as a manager, it is important:

- To know what your inherent style is
- To know the strengths and weaknesses of that style
- To learn to recognize situations where other styles of leadership should be used



### The effects of cutting prices

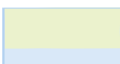
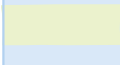
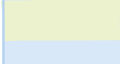
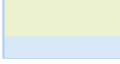
| To maintain the same total sales volume if you give |                                       | To maintain the same dollar profit if you give |                                       |
|---|---------------------------------------|--|---------------------------------------|
| Percentage of Discount                              | You will need this much more business | Percentage of Discount                         | You will need this much more business |
| 5%  | 5.3%                                  | 5%   | 14.3%                                 |
| 10%   | 11.1%                                 | 10%  | 33.3%                                 |
| 15%   | 17.6%                                 | 15%  | 60%                                   |
| 20%   | 25%                                   | 21%  | 100%                                  |
| 25%   | 33.3%                                 | 30%  | 300%                                  |
| 30%   | 42.9%                                 | 33.3%  | 500%                                  |
| 33.3%   | 50%                                   |  |                                       |
| 50%   | 100%                                  |  |                                       |

Furthermore profits will likely be further eroded by the additional expense incurred in handling the extra volume.

These additional expenses could include extra personnel, additional advertising, higher delivery costs, higher administration costs (invoicing, credit and collections).

### Summary

We discussed the following topics:

-  The reasons why businesses discount their offerings and what affect discounting can have on the business.
-  When discounting offerings is an appropriate response to the market.
-  Ways in which the Sales and Marketing Manager should analyze sale of offerings and the impact on the business of discounting those offerings.
-  You should relate this discussion to your business, how you presently manage the sale of your offerings and particularly how and why you discount your offerings.

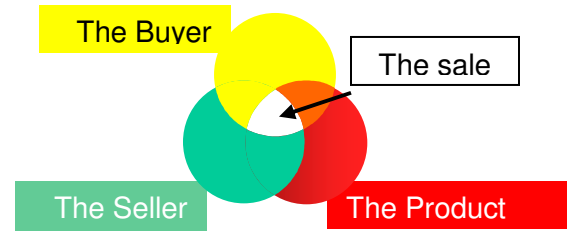
### **Elements of a sale**

At the most elementary level there is only three components to any sale. It can be viewed as three intertwining circles.

1. The buyer—the yellow circle
2. The seller—the green circle
3. The product—the red circle

A product should be considered as:

- Commodity or a service
- Tangible or an intangible



It takes all three elements to make a sale. When all elements are working together, a sale (shown as the white portion of the diagram) occurs. When one of the three is not involved, no sale occurs. There are probably many reasons why a sale does not occur.



### **For example**

If the buyer does not come into the store, there is no sale.

If the potential buyer does not have his/her objections answered satisfactory, there is no sale

If the buyer does not have his/her complaints satisfied, the product may be rejected or returned

If the buyer does not feel the salesperson is listening and does not understand the buyer' needs, there will be no sale

If the salesperson does not ask for a sale, maybe there is no sale

If the salesperson does not know his/her product lines, there may be no sale

If the salesperson does not tell or does not tell the potential customer the benefits of the product, there may not be a sale

## Glossary of Terms

**Buying groups**—groups comprised of similar businesses that form an association or a company for purchasing on behalf of the group. They may also provide varying degrees of marketing support for the members of the buying group. Some buying groups may also provide distribution services.

**Creative platform**—the creative platform of a company is defined as the foundation from which flows everything the company does to present itself to the market. This means that business cards, corporate colours, signage, newspaper Ads-**everything** the company does to present itself must be consistent, connected and convey a similar image of the company.

**Franchise**—an organization that provides varying degrees of business management, marketing support, and buying power to a member business. In return, the member business usually pays a substantial fee to join the franchise organization as well as annual membership dues and, in some cases, even a percentage of the profit.

**Gross margin improvement**—the degree to which Gross Margin is improved from one measurement period to another

**Gross margin (GM)**—the money left to cover the expenses of selling the offerings and operating the business. Same as Gross Profit Margin defined below.

**Gross profit margin**—the difference between revenue and the cost of goods or services sold.

**Gross sales**—the total amount charged to all customers/clients during a time period.

**Gross sales volume improvement**—the degree to which Gross Sales to all customers is improved from one measurement period to another

**Market**—is a place where buyers and sellers come together. The number of people and their total spending—actual or potential—for your offering(s), within the geographic limits of your distribution capability

**Market segment**—a relative homogeneous group of customers who will respond to a *marketing mix* in a similar way.