Feedback Tutorial Letter

Sales Operations and Management

SOT612S

Assignment number 1
Question 1

1.1 Strong sales abilities do not automatically equip a salesperson for a career as a sales manager. How can a salesperson make the transition from salesperson to sales manager? (5 Marks)

A firm’s top salespeople certainly should be considered when a management opportunity develops. In identifying a potential sales manager, particularly from among the ranks of salespeople, some important qualities to look for are

• A willingness to share information.
• Structure and discipline in work habits.
• An ability to work well in teams or groups.
• Skill at selling internally.
• An ego that is not overinflated.

1.2 Explain and demonstrate the problems that sales executives must overcome in order to properly give service to clients, taking into account that customer expectations are evolving in the twenty-first century. (10 Marks)

Selling by executives.
Top executives need to be involved in the sales process, selling firms must increasingly rely on their top executives to be involved in the sales process.

Customer relationship management (CRM).
Customer data base software, shopping habits By all accounts, CRM is becoming mainstream technology for sales organizations. Salespeople input much of this information and then use it to expand their relationships with existing customers.
Sales force diversity.
One difficulty that sales representatives face is the diversity of gender-based inequity in sales jobs, as well as the diversity of educational ability levels in sales employment.

Ethical behaviour and social responsibility.
Ethical behaviour of salespeople involving bribery, kickbacks, business defamation etc.

Complex channels of distribution. Many sales managers will be asked to manage increasingly complex channels of distribution. Force Managements will have to oversee a hybrid sales force, which includes field sales reps, tele sellers, and electronic sellers. Their work organizing and coordinating the efforts of these diverse salespeople.

1.3 Relationship marketing is often referred to as relationship selling because the sales manager and salespeople play such an important role in its development. What are the most important aspects that sales managers and salespeople consider when it comes to relationship marketing? (10 Marks)

Open Communication.
Open communication is the lifeblood of relationship marketing. It fosters trust and provides the information and knowledge necessary to carry out the cooperative and collaborative activities.

Employee Empowerment
In relationship marketing, salespeople do more than simply sell their product to customers—they help solve customer problems. They can only do this if they have the skills, responsibility, and authority to make decisions and take action. Thus, companies must encourage and reward their salespeople for taking initiative and using creativity to solve customer problems.

Customers and the Planning Process
Close, effective collaboration exists between firms when they agree on what tactics should be performed to carry out strategies that will lead to the accomplishment of goals. In other words, the selling firm should
allow customer to be involved in the seller’s planning process. This ensures the customer’s support in the implementation of the plan.

**Teamwork**

A firm engaged in relationship marketing must encourage teamwork—both among its own employees and among those of its partner firm. Usually the relationship is often complex, with various operating processes of the two firms being closely aligned. Consequently, to effectively provide meaningful service and value to the buyer, the seller must involve a team of people with diverse, complementary skills.

*(Each point and explanation is worth one point, plus two points for applicable examples.)*

**Question 2**

2.1 Using a product and company of your choice, demonstrate the value of the selling function in building an integration with the marketing department. *(10 Marks)*

One common problem in marketing management is the lack of integration between a firm’s marketing department and its sales function. The marketing department typically develops a firm’s overall marketing strategy, which includes decisions about how to promote, distribute, and price the product line. The salespeople ultimately determine success or failure of the strategy, because they have the responsibility of implementing it in the field. Thus, integration between the activities of the marketing and sales functions is critical to the success of the firm. The marketing strategy can be effective only when it is clearly understood and embraced by the sales force. This is more likely to happen when salespeople are involved in the strategy development process. After all, salespeople are an invaluable source of information in this regard, given their unique position of working closely with customers.

The marketing department must assist the salespeople in carrying out the marketing strategy by providing them with the right marketing tools, such as advertising, support services, and sales prowess. A good example can be found in the Commercial Investment Corporation (CIC), which sells a variety of fast moving consumer goods (FMCG) and carrying different product lines such as Tiger brands products.
2.2 The importance of administrators selecting the appropriate individuals has been overstated. A sales manager’s role is not just to pick and hire salespeople, but it is also the most vital. Why is it critical for sales managers to have a robust selection program in place? (10 Marks)

Good selection program is vital to the firm because, it is the sales force that directly generates revenues for the firm.

**Qualified salespeople are scarce.**

For many reasons, good salespeople are hard to find. Selling does not have the high social prestige of some other careers and therefore may not attract the most top-notch candidates from colleges and universities.

**Good selection improves sales force performance.**

The salesperson recruitment process has a strong impact on profits of the firm. When a firm hires a salesperson whose performance is just acceptable rather than outstanding, it is forgoing additional sales revenues and profits that the outstanding rep would have generated.

**Good selection promotes cost savings.**

A good selection program brings about both direct and indirect cost benefits. Substantial direct cost savings are often generated when sales force turnover is reduced.

**Good selection eases other managerial tasks.**

Proper training, compensation, supervision, and motivation are vital to successful management of a sales force. However, if a company selects the right people for the sales job, training is easier, less supervision is required, and motivation is less difficult.

**Sales managers are no better than their sales force.**

No matter how good a manager he or she is, an executive with a poor sales force cannot surpass a competitor who has much better salespeople.
2.3 Is it ethical for a metropolitan sales manager to approach a Sanlam sales rep directly and offer them a sales job? (5 Marks)

No, such behaviour is unethical on the part of a sales manager. Sanlam has spent a lot of money training their salespeople, and now they are losing out on the benefits of those salespeople's productivity. Normally, when salespeople move to another firm, they take their existing firm's clients with them. It would be unethical for Metropolitan to take Sanlam's customers, who are ultimately founded by the salesperson they want.

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