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AUTHORS
Rajagopal

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Rajagopal (Mexico)

Enhancing sales relationship through customer centric visibility

Abstract

The vision on selling should be commissioned on a concrete understanding of the business and the ability to foresee the impact of market forces on the growth of business. The vision will motivate the organization for collaborative sales planning with customers and implementation of customer centric sales strategies. The powerful visions are also the statements of intent that create an obsession with the winning organization. The purpose of this paper is to discuss the determinants for the success in sales and present strategic paradigms for right products and right customers, maintaining their motivation, developing the appropriate skills, and providing high perceived value. This paper discusses new conceptual paradigms for improving the sales performance by living inside the customers’ minds and identifies why selling is conceived as a challenge. It is argued that the challenge starts with how to foresee the customer needs.

Keywords: selling process, customer needs, knowledge sharing.

Introduction

Selling is an art largely associated with the behavioral skills of the sale personnel of a sales organization. In a competitive marketplace selling is performed using scientific methods of product presentation, advertising and various approaches drawn to take the customer into confidence. A foreign firm begins to sell its products to export markets by switching from domestic market and launches new product lines or services to gain competitive advantage. Sales personnel in international business can be classified in two ways – by performance or by their nationality. According to the task they perform, there are three categories of selling tasks: sales generation, sales support, and missionary work. Generating sales is the creative task of helping the customer to make a purchase decision. Missionary work is undertaken by a salesperson to stimulate demand to help the distributors.

Globalization has revisited the Darwinian concept of struggle for existence, making firms of all types to stand at the brink of competition. With worldwide increase in market competition, the scale of selling exhibits greater understanding of its principal constituents wider SCOPE that includes strategy, customer, opportunity, people, and energy. People engaged in selling products are the firm’s vanguard which encompasses sales representatives at the bottom of the sales pyramid. The sales representatives are instrumental to their firms’ success and growth and stay dynamic in the sales force. The determinants for the success in sales largely constitute developing appropriate strategies for right products and right customers, selecting the right individuals, maintaining their motivation, developing the appropriate skills, and providing high perceived value and supply (Crittenden and Crittenden, 2004).

This paper discusses new conceptual paradigms for improving the sales performance by living inside the customers’ minds and identifies why selling is conceived as a challenge. It is argued that the challenge starts with how to foresee the customer needs. The discussion draws on the wisdom on understanding customers and measures the visibility of consumer requirement to augment the performance in sales process. The paper emphasizes that a correct vision of salespeople to determine the cognitive emotions of consumers can leverage decision-making skills in selling, enhancing the ability of salespeople in enhancing customer value, and encouraging customer centric value creation.

1. Shifts in selling philosophy

As the race of companies in global marketplace is getting tougher, many are choosing to develop customer centric selling strategies against the market centric approaches. Customer centric selling aims at developing pro-customer strategies to improve the value propositions on buying and deliver complete experience of products or services to the customers. Learning about customers and experimentation with different segmentations, value propositions, and effective delivery of services associate customer in business and help frontline employees acquire and retain customers with increasing satisfaction in sales and services of the firm (Selden and Macmillan, 2006). The companies engaged in sales and services of high value high technology goods like hybrid automobiles need to explore new modes of cooperation among customers, retailers and manufacturers resulting from co-design which leads to a customer-centric business strategy. Co-design activities are performed at dedicated interfaces and allow for the joint development of products and solutions between individual customers and manufacturers (Berger et al., 2005). The shifts in the paradigm of selling practices and various attributes that affected the corporate philosophy of selling during post-globalization period are exhibited in Figure 1.
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**Fig. 1. Paradigm shift in selling strategies**

Pre-globalization
- Selling to consumers
- Domination of firms and suppliers
- Short run profit orientation
- Struggle to keep competitive lead
- Tactical selling

Post-globalization
- Selling with consumers
- Customer-centric strategies
- Acquiring and retaining consumers
- Developing consumer loyalty
- Sustained profit plans

Shifts in corporate philosophy
- Shifts in consumer preferences

Organizations seeking to adopt a more customer-focused strategy will be learned from the approach DuPont. It took in grappling with this challenge, based on an extensive program of qualitative and quantitative research with customers around the globe. The customer touch-point analysis of the organization facilitated alignment of functional groups within the organization (product, sales, customer service, etc.) and equipped them to deliver on newly developed, segment-specific value propositions. This major initiative has enabled DuPont to reprioritize internal efforts and business practices and has been a catalyst for broader organizational changes notably the dissolution of many functional silos that previously had hindered its ability to deliver against its brand promise (Rajagopal, 2009).

A strong market oriented strategy of the firm alleviates the possibility of using coercive influence strategies by the competitors and offers advantage to the customers over competitive market forces (Chung et al., 2007). Market orientation is an organization-wide concept that helps explain sustained competitive advantage. Since many manufacturing firms have linked their marketing strategies with services delivery attributes, the concept of market orientation is expanding as a system in global corporate settings. The process of market orientation contributes to continuous learning and knowledge accumulation by an organization which continuously collects information about customers and competitors and uses it to create superior customer value and competitive advantage (Slater and Narver, 1995).

Salespeople should understand that a customer is sensitive to his demand and time. Prospecting customers is an art and value-based approach towards target customers would lead towards acquiring customers successfully. On the contrary the eight words for a customer – “let me get back to you on that” may kill the sales as response time to customer was inordinately delayed and customer value for time is not respected by the salesperson. In competitive consumer markets, building and maintaining a good relationship with customers is essential to long-term business survival. In selling process relationship quality, trust, satisfaction and commitment of salespeople are instrumental in prospecting and closing the deals and such attributes help not only in acquiring customer but also retaining him delivering sustainable customer value (Chang, 2007).

It is observed that finding salespeople with all required attributes of a high performer is an uphill task for the firms. Sales managers at many companies have de-
pended on top performers to achieve corporate goals though a very small number of salespeople at the bot-
tom of the pyramid to stay competitive. Successful salespeople need to take scientific approach in per-
foming their tasks by developing tactics in response to changing markets and customer preferences. Salespeople should have the zeal to span out to new customers in innovative ways and thrive for increasing productivity. Sales managers who encourage a scientific approach to augment effectiveness of salespeople should drive the bottom line strategies system-
tatically matching the right products with the right customers. Salespeople would also benefit from the applications of the sales process automation and autonomy in making decisions on the sales negotia-
tions. However, the performance of salespeople is largely backed by both sales culture in the organization and internal processes. The overall profile of a salesper-
son should show the capability and competence in in-
creasing the productivity and possibility of exponential growth in volume of sales, contribution to the revenue of firm, lifetime value of customers and number of accounts (Ledingham et al., 2006).

Sanofi-Aventis is a pharmaceutical company which encourages salespeople to work in teams and enhance their productivity. The company emphasizes that each sales professional is responsible for establishing key partnerships and for providing accurate and comprehensive information regarding the company and prod-
ucts, thus furthering its commitment to improving health and offering greater access to vital medicines worldwide. The sales force operates in a competitive market environment determining product and cus-
tomer strong portfolios employing value-based selling techniques to gain competitive advantage. Primary health care sales professional of the company serve as local experts in their marketplace, being extremely knowledgeable about their designated territory, target consumers, and assigned products including competi-
tors to those products. Salespeople attend over eight calls a day, each consisting of pre-call planning, driv-
ing brand messaging, providing visual aids and/or re-
prints, and closing the sale. Sales professionals also execute promotional programs to key customers in set time frames, and they attend all company, regional and divisional meetings, as well as medical education pro-
grams (Petitt, 2005).

Salespeople should acquire contemporary knowl-
dge, strategies and action orientation by observing the market. It is important for them to get out on the street and study competitors, visit their stores or the locations where their products are offered, analyze the location, customer volumes, traffic patterns, hours of operation, busy periods, prices, quality of their goods and services, product lines carried, pro-
motional techniques, positioning, product catalogues and other handouts. The salespeople of company should know the customers and update business information. The principal sources of market information that may help salespeople to attune with the prevailing practices include:

- Competitor learning models.
- Neighboring business experiments.
- Trade suppliers behavior.
- Downtown business associations.
- Trade associations.
- Trade publications.
- Trade directories.

It is important for the company to consider how well competition satisfies the needs of potential customers in the selected markets, as well as to determine the best fit of the firm’s strategies in the determined market segment or niche. Should the firm offer a better location, convenience, better price, later hours, better quality, and better service, may be the further interest of the firm to gain the competitive advantage. Most salespeople are employed in various kinds of retail selling and this would facilitate them to acquire information on sales trends existing in the market. These jobs involve selling goods and services to ultimate consumers for their own personal use like door-to-door selling agents, insurance agents, real estate brokers, and retail store clerks do. A much larger volume of sales, however, is accounted for by industrial selling – the sale of goods and services at the wholesale level.

2. Sales effectiveness

Selling is a dominant factor in the growth of a business organization. As a marketing tool it has always had an important and legitimate role in creating consumer excitement and in clearing surplus or obsolete stock. However, in recent years the sales has become ubiquitous and pervasive in emerging firms as it plays signif-
ificant role in contributing to business growth. Sales effectiveness is developed through cost control and customer value augmentation process. The sales effectiveness largely depends on various manage-
ment practices, such as accurate demand forecasting, which the effective group uses more and aligned with the corporate objectives of the sale (Merrilee and Fam, 1999). However, different ‘sales’ objectives require different marketing management practices. Major factors that affect the sales effective-
ness and overall performance of sales include:

- Customer face time.
- Productivity of salespeople.
- Team communications.
- Personal selling skills.
Customer face time may be understood as the span of interaction between the salespeople and customers during the process of negotiation. It is observed that the longer is the interface time with customer the higher is the confidence in selling process. In a call center agents may hang over the telephone call of a customer for reasonably long till a solution is reached and customer is satisfied. A call center can dramatically improve an organization’s ability to serve its customers. It is found that selling skills of employees in call centers show persuasive, sustained and customer driven attributes and lean towards ensuring satisfaction and spending more time in face-to-face interaction (Adria and Chowdhury, 2002).

Salespeople in a competitive marketplace are considered as human capital of the organization who directly contributes towards the generation of revenue. Returns on the salespeople should be accounted as their per capita productivity. Companies need to develop a system that allows sales managers to monitor and evaluate the human capital periodically on the basis of cost-productivity metrics both to predict individual performance and to guide organisations’ investments in people. The principal drivers for measuring the productivity of salespeople include leadership practices, employee engagement, knowledge accessibility, workforce optimization, and customer relationship management competencies (Bassi and McMurrer, 2007). Consumer sovereignty is a growing concept which has emerged as the core driver of customer value. It is widely assumed that the customer satisfaction is a crucial variable in determining the long-run prosperity of a business. Since the sales force often has the maximum contact with the customer, it seems logical that their efforts toward satisfying the customer would be imperative. Salespeople can practice customer-oriented selling without fear of losing sales (Pettijohn et al., 1997). Salespeople learn by doing over their tenure on the job and it is observed that the more time they spend selling a particular product, the more productive the sales effort. The firms have objective to maximize profits by optimizing the size of all sales force as well as their productivity. Some studies evidence that optimal sales force size increases with both sales productivity and the learning rate, and decreases with sales force costs (e.g., wage per representative), product production costs and consumer price sensitivity (Misra et al., 2004).

In communicating sales related policies to field salespeople, the environment that would be challenging for a manager is towards understanding and adapting to individual behavior of the salespeople. Managers also need to know the different cultural groups and develop communication with the salespeople accordingly. Japanese people believe in implicit communication with a thumb rule of implied is better than spoken and appreciate interdependence to work in teams. As regards keeping group communication on target and schedule, with effective listening, the Americans and Mexicans differ in terms of explicit communication style of the former and implicit communication style of the latter. The power axis for Americans may reflect on speaking independently while Mexicans like Japanese would reveal on interdependence with the other members of the team (Haru, 1997). The American team members admire to have confidence, trust and commitment to work in a team while Mexican member rely on the facts more revealed from the antecedents and precedents than trust to carry on the team work. However, Mexicans like to achieve confidence once the project rolls-on, than measuring the confidence before beginning the team works (Harris and Moran, 1999).

Emotional communication plays significant role in acquiring new consumers and retaining those who are associated with the firm. Managers of competing firms should provide training to the sales people on communication skills that generate cognitive influence among consumers. Emotions in selling can be developed through psychological and socio-cultural associations and meanings of products, company, perceived and prescribed use value, and keywords used during the negotiation process. Effective sales communication in a cross-cultural selling perspective is considered as the strongest bridge between salespeople and consumers. As cultural values, sales objectives and desired customer relationship levels influence the consumer value, it is argued that an emotional communication in selling process is imperative for acquiring and retaining consumers and develops sustainable sales strategies for competitive advantage (Aslam, 2006).

Most global companies are leaning towards personal selling practices to reduce the overhead costs. Personal selling is carried out by the self-employed individuals; these representatives are instrumental to their firms’ success and growth. The success of direct selling practices depends on selecting the right individuals, maintaining their motivation, developing the appropriate skills, and providing high perceived value and supply. With an independent sales force framework, it is imperative for direct selling firms to implement skill development programs towards prospecting, negotiation, and customer relations, which help in finding and keeping strong individual sellers (Crittenden and Crittenden, 2004). Persuasion is another important skill that needs to be acquired by the salespeople.

The process of persuasion can be effectively administered by establishing credibility of salesperson, framing concepts to find common ground, providing vivid evidence, and connecting emotionally with the prospect. Credibility of salespeople grows out of expertise
and relationships. The former is a function of product or process knowledge and the latter a chronological map of listening to and working in the best interest of others. But even if a salesperson’s credibility is high, his position must make sense — even more, it must appeal — to the audience. Therefore, a salesperson must frame his position to illuminate its benefits to everyone who will feel its impact. Persuasion then becomes a matter of presenting evidence, but not just ordinary charts and spreadsheets (Conger, 1998).

3. Knowledge sharing

There are two preconditions for increasing sales effectiveness that include acquiring knowledge on products, process, competition, and consumers by salespeople and sharing knowledge of salespeople among consumers. There are many organizations that tend to take full advantage of their own as well as of market knowledge on preferences and value perceptions of consumer. Competing sales oriented firms should develop processes to encourage knowledge sharing among consumers as knowledge is power and salespeople can deliver best ideas among consumer to reap the biggest rewards. The secret of making knowledge sharing as core organizational competency lies in flipping the liberal culture around so that sharing becomes central to salespeople. Over long term sharing knowledge would help in improving selling effectiveness. Hence selling knowledge should constitute:

♦ Breaking islands of customer, product and competitive information.
♦ Route to market and navigation.
♦ Validity of information.

Often consumers develop perceptual bias against brand, company, shopping outlets, salespeople and services offered by the company. A prolonged biasness on a particular or multiple perceptions would cause mind block of the consumers. Such cognitive dimensions result into low access to consumers and poor response on various prospecting stages during sales process. Mind block and perceptual response are interrelated cognitive determinants. It has been observed that creative salespeople are not common in business organizations. Hence, companies employing smart salespeople within the available employees use patching, a process of mapping and remapping thought process to develop positive consumer perception by sharing contemporary knowledge, which is highly focused on products or services for sale and tightly aligned with consumer preferences. Such sales strategies driven by sharing knowledge to develop positive consumer perceptions can respond to selling dynamics in a competitive marketplace (Eisenhardt and Brown, 1999). There are many factors that affect the self-perception on buyer-seller relationships. It is observed that younger consumers have more positive self-perceptions, but concordance with peers is often conflicting and elderly people get the advantage of such attribute by just interacting with the salespeople. Salespeople may observe such difference among the two generations of consumer — younger and older in age and experience. The perceptions of the fairness in selling processes, is often considered an antecedent to mutual trust developed between buyer and seller (Hubbell and Chory-Assad, 2005). Consumer mind blocks that stand as barrier in prospecting can be diffused by the salespeople with effective leadership styles. Regenerating self-consciousness through effective sales leadership impel the consumer involvement in the selling process turning confidence level high. Supportive, participative, and achievement-oriented leadership styles of salespeople motivate consumers and help in diffuse the predetermined mind blocks against the products or services of a firm (Williams and Noyes, 2007).

Route to market is the multi-channel retailing strategy that caters to the wide preferences of shopping to the customers at varied price, delivery and services options. A company may set more than one routes for its products and services to facilitate consumer convenience in buying. It is necessary that salespeople should know these routes to markets and prospect consumers at their most convenient route. In multi-channel selling strategy salespeople can prospect consumers for offering superior products, typically accompanied by superior service outputs, to be sold at higher prices for premium market segment while low price strategy is followed for mass market retail locations (Jindal et al., 2007). However, luxury goods are not commonly sold through the catalogue, e-bays or call centers and differentiated products usually need relatively more intermediary support to be delivered satisfactorily to the end customer. However, urban shoppers incur higher search costs when searching for a product across retailing channels and gathering information on prices as the urban shoppers are more guided by the value for money considerations in shopping. It is observed that price-sensitive customers always intend to strike a beneficial deal over the costs they incur during searching for such bargain through various channel options (Rajagopal, 2008). A route to market is a distinct sales process followed by salespeople towards prospecting customers for a selected product or service through a specific market channel. Agents of call centers, representatives of e-bay, and personal selling representatives engaged in prospecting consumers may be assigned to manage sales in different routes to market. Globalization and innovative selling practices have introduced multiple channel selling strategies to improve customer satisfaction and strengthen customer-retailer dyadic loyalty (Wallace et al., 2004).
Salespeople should know one underlying fact in prospecting consumers that all information that is delivered by the salespeople is validated by the consumers sooner or later. Hence it is argued that whatever information is given by a salesperson to consumers, whether verbal or printed, he delivers a promise beyond just information. Firms should know that potential payoff for using valid evidence is even greater when it comes to managing effective sales to consumers. At the same time, however, indirect information delivered by salespeople is much slower and less effective because of tacit knowledge. Thus, all information that is provided to consumers should be evidence-based (Pfeffer and Sutton, 2006).

4. Pipeline visibility

Winning a consumer by successfully passing through all stages of selling is a complex task as consumer perceptions and convictions are unpredictable. Managing pipeline visibility enables the company to: grow the top line without growing the sales force headcount, achieve a culture of high performance selling, “photocopy” its best reps, and supercharge sales results by optimizing quotas, territories and incentives. Pipeline visibility is usually a function of customer relationship management (CRM) that helps the salespeople view the opportunities available in the market. Having pipeline visibility will enable the organization to see the opportunities and sales leads more clearly, this will save time in briefing about the different options and activities available to serve these opportunities. It enables the sales force to have a clear vision of the demand and predict the required leads needed to meet annual targets. It gives a clear knowledge about the sales productivity and how to organize all the company’s functions and business units to provide maximum output. Managing pipeline visibility enables salespeople to see opportunities from beginning to end, enables them to manage closure, see bottlenecks and discover inadequate coaching practices in order to improve these. There are different stages of reaching to prospects and develop social network enhancing the pipeline visibility. The role of salespeople at different converging points of pipeline visibility path is showed in Figure 2.

Although pipeline visibility strategy for salespeople is complex, it might bring with it a hard realization for some consumers who look for quick value for money. Thus salespeople should develop skills to see the contours in the pipeline and find solution to overcome performance gap in the selling process. Salespeople should be trained in conducting gap analysis to identify the weaknesses in the selling process (Nelson, 2002). The pipeline visibility can be managed by salespeople by considering the following factors:

- Need to see opportunity from beginning to end.
- Need to manage closure.
- Need to see bottlenecks.

- Adequate coaching.

Following the pipeline visibility process is the right way for direct salespersons as well as sales force management systems towards prospecting new customers. In any step of the sales process prospects drop out of it, and from the large number of initially interested persons on the narrow end of orders only a fraction of the initially interested people remain and actually place an order. To retain the sales of a large account the sales rep must be able to manage this pipeline visibility and be able to respond in every step of the process. To generate traffic the sales force can: develop on site seminars, create community events,
give agents incentives to create traffic and leads, make direct contacts, and use mail and phone.

5. Managerial insights

Some management studies have found significant relationships between personal and organizational variables such as job experience, closeness of supervision, performance feedback, influence in determining standards, span of control and the amount of role conflict and ambiguity perceived by salespeople, which affect their performance in the selling process. Other studies relate personal characteristics to variations in motivation by showing that salespeople’s desire for different job-related rewards (e.g., pay, promotion) differ with such demographic characteristics as age, education, family size, career stage, or organizational climate (Chonko et al., 1992). Salespeople in a firm are influenced by sales drivers to reach high outcome performance in a given region and time. Sales drivers include territory design, compensation, scope of assigned task and cultural interaction in the market (Rajagopal and Rajagopal, 2008).

The technological changes are the main impetus behind new market opportunities. The extent of such change may be explained from super technologies to the appropriate and intermediate technologies. The strategic choices have wide ranging ripple effects through the organization that determine the key success factors and growth performance. Some companies would be making right strategic choices by improving the implementation process of competitive advantages. These companies are guided by the shared strategic vision and are driven by the responsive attitude towards the market requirements. They emphasize the continuous strive to satisfy the consumers. A strategic vision in managing markets may be understood as the guiding theme that explains the nature of business and the future projections thereof. These projections or business intentions depend on the collective analysis of the environment that determines the need for new developments or diversifications. The vision on selling should be commissioned on a concrete understanding of the business and the ability to foresee the impact of market forces on the growth of business. The vision will motivate the organization for collaborative sales planning with customers and implementation of customer centric sales strategies. The powerful visions are also the statements of intent that create an obsession with winning the organization. The business strategy broadly incorporates the following dimensions:

- Consumer needs.
- Consumer segments.
- Technology and resources.
- Activities in the value-added chain.

Strategic thrust has a significant magnitude and direction in sailing the business though turbulent situation. The factors associated with the competitive advantage and business investments uphold the strategic thrust to achieve the business objectives though the positive channel efforts. The competitive advantage may be assessed in reference to the superior consumer value and the lowest delivered cost. Such combination of the strategies may be termed as competitive superiority that explains cost effective delivery strategy to enhance the consumer value. An overall edge is gained by performing most of the activities at a lower cost than competitors. This would enable the company to optimize its cost of delivery of the new products and simultaneously enhance the consumer value to uphold the strategic thrust of the company.

Selling is a complex process as it moves though various cognitive stages of decision making among consumers and often remains unpredictable of buying decision. There are four cognitive stages though with consumer is driven by the salespeople, which include:

- Awareness.
- Comprehension.
- Conviction.
- Action.

Conclusion

Performance of salespeople is determined by the measures of clear visibility of customer needs cost effectiveness adopted during the selling process. Sales force consumes a hefty share of the budget of company. If salespeople sell effectively, the company gains both profits and customers. Yet, in many organizations, salespeople cannot give their best on the job because the company mismanages them. Right consumer diagnostics and sharing knowledge among peers would improve the scope of effective implementation of selling strategies. One of the most risky propositions in selling faced by the salespeople is when some firms send conflicting messages about job priorities of the salespeople. Firms expect salespeople to be proactive in prospecting customers and at the same time adhere to management control practices that often stall the sales process. Under such circumstances salespeople often fail to satisfy both the firm’s goals and customers. Some companies don’t coordinate salespeople’s efforts with other customer-facing teams, such as store clerks and web site administrators (Anderson and Onyemah, 2006). The efficiency of sales depends up on the type of salesperson and the techniques used in selling goods or services. The consumers are the decision makers in buying the goods and services proposed for sales and hence play key role in the sales process.

Salespeople invest a reasonably long time with consumers in generating awareness about the products its
advantages and the company. Comprehension on the products, services and customer relations is delivered by the salespeople during the process of responding to the questions of prospecting consumers and clarifying their doubts hindering the decision-making process. Comprehension in the selling process would generate higher level of confidence among consumers and develop their inclination towards making buying decision. This stage is defined as conviction and is often very delicate because at this juncture consumers borrow time to validate the information given by the salespeople and acquire second opinion from their nears and dears. Consumers also use their self-reference criterion to validate information and review their initial decision. One of the weak points that often strike down the efforts of salespeople is the lack of follow-up to watch the decision movements of consumers at this stage, which may cause escape of prospecting consumers without any notice. In the last stage of action consumer physically acquires the product evidencing the successful selling. Adhering to the core set of values salespeople should ensure the effective use of resources and develop a competitive advantage in selling process to generate action. By blending selling process through four different stages as discussed above, firms may develop lead in selling products and services to consumers in a competitive marketplace (Beverland, 2004).

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