Importance of building a relationship for a salesperson

Health & Medicine, Beauty



In the business world today, customers have not only become fastidious but also more demanding and unforgiving. This explains the reason as to why any salesperson needs to be more aggressive and make a good impression the first time he gets in contact with customers. According to Calvin (2007), getting good business sales is the natural outcome of an established relationship of trust between the salesperson and the customers. The closure of sales after the establishment of a good and trustworthy relationship becomes the easiest part in the sales process.

Portraying a first good and perfect impression requires goodcommunicationand presentation skills for the salesperson. The salesperson is expected to please a first time stranger, and convince them that he is reliable. Most often, the salesperson is terrified and does not know what kind of response to expect from the first time client. This stage is very important as it is able to determine whether such a client will become a customer who can always purchase from the salesperson or not.

If the salesperson is able to win the confidence and trust of the customers at the first instance, he is likely to enjoy a competitive advantage in the market over other business people. Goods sales trainings invests a lot of attention and time in teaching salespeople the required skills for building relationships. The skills mainly taught for the sales people include learning to listen to others, and creation of creation of confidence (Honeycutt, 2003). The salesperson should show that he understands the concerns and needs of a particular customer.

By doing this, the customer is likely to create confidence in the salesperson and will often want to purchase any goods or services offered by the salesperson. A salesperson should be able to create trust by being able to communicate about information concerning a specific product that the seller is willing to offer and clearly linking this information to the concerns and needs of the customer. Teaching of presentation skills is done in the aspect of and in the context of creating a trustful and open relationship between salespeople and the clients.

Techniques of closing stock should then be looked into briefly as part of the big picture of good presentation skills for sales people. According to Acuff and Wood (2004), the focus for building relationships as opposed to just concentrating on the sale of a product is important in the present world than ever before. Various reasons have been given to show why building of relationships is important. To begin with, the changes taking place in the world have necessitated the salespeople to take charge in the market, so as to win confidence for the customers.

Sales people have realized that they should be leaders of the current changes taking place in the market, they do this by informing people about new products in the market and convincing them how such products or services are likely to meet their needs and concerns. By being able to win confidence from the customers, they are able to win more customers. A salesperson who does this will be able to absolutely convince customers that what he is selling is a safe and sure solution for the customers problem.

Another importance of focusing on an open and trustworthy relationship is because of the need to enjoy a competitive advantage in the market. When a good product gets into the market, other competitors quickly come up with a similar product. A salesperson who has already established a strong relationship with his clients is able to retain them, despite the tough competition. The third reason touches on the development oftechnology. With the introduction of unique and complex goods in the market, customers have been having fears of buying some products which may cause them harm in future, or products they cannot be able to maintain.

Salespeople should know how to win customers under this circumstances, by explaining about the usefulness of such products, and showing how well they understand such a product. Salespeople who focus on the creation of a relationship at the heart of their activities have been producing excellent results in their work (Baker, 2003). Sales Ethics, and Why The Topic is Receiving so Much Attention Today Honeycutt (2003) stated that sales ethics cannot be defined or explained with the exception of all other ethical values. Sales ethics in fact emanates from the entire organizational values which guide the day to day activities of the organization.

There is actually no specific code in the area of business that has been separately dedicated to sales ethics. Therefore, the approach used to define sales ethics is the approach used to look at ethics in general. According to Baker (2003), sales ethics refer to those standards of conduct which a salesperson is supposed to observe while carrying out his business practice. A salesperson should carry out his duty with integrity, honesty and

intelligence, with the ultimate goal of realizing the vision and mission of the company he or she is working for.

Many corporations today are emphasizing on the practice of sales ethics among their salespeople. Researchers have argued that, salespeople are not required to follow a written statement of ethics because they are not ethical, but because they are placed in a workingenvironmentwhere they are faced by ethical challenges every now and then, unlike other people in employment. Researchers have sated that companies should take enough time to educate salespeople on how to approach ethical dilemmas in their areas of work.

Unlike other workers who have their bosses to consult when faced with ethical challenges, salespeople often face the problem while on the road, they therefore lack anyone to consult and are left to tackle the problem alone. Sales ethics helps to prevent many loses that a company can get from unethical behaviors of the salespeople such as over promising customers, andfailureto observe certain sales regulations like the FDA's rules for pharmaceuticals, which may lead to great loses for the company. It has also been claimed that ethics addresses and supports what some scholars call, "the gray areas of selling," (Acuff & Wood, 2004).

Though this areas may not have any legal implications, lack of knowledge and skills to address them may cause great damage to the company and to the salescareer. They include the use of assets available in the company, this may involve misuse of expense reports, computers, cars, and other

important equipments in the company. The handling of customer relationships, this may involve forms of abuse such as over promising, overselling, over telling, under informing, and overstocking. The handling of competitor relationships involve spying and tampering on the affairs of the customers outside the scope of business and disparagement.

Sales ethics also enable the salesperson to handle relationships with supervisors and peers and to avoid certain acts like false reporting or abuse of territory poaching. Being able to avoid conflicts of interest while working including improper disclosure, and to avoid offering of entertainment and gifts in excess of customers and corporate policies. Where companies have established formal policies to guide the behavior of sales people, they have been able to create good customer relationships and competitive sales.

Salary, Commission and Combination Pay Plans, Their Advantages and Disadvantages. According to Calvin (2007), salary refers to the amount ofmoneywhich an employee is entitled to receive at the end of the month. The employee as long as he or she performs his obligation is entitled to get the set amount of money, whether the company incurs looses or makes profits. This mode of payment has been deemed to be favorable to the employees due to the fact that, they are protected against any unforeseen looses that may occur in the company. Companies which offer employees a permanent salary have the advantage of retaining their workers for a long period of time.

Such workers feel secured in the company, and are stable in their operation. This allows the company an opportunity to train their workers, specifically salespeople on the necessary skills, such as building of healthy relationships with clients. This in turn promotes production and maximizes profits for the whole organization. On the other hand however, employees who get a constant salary can relax and refuse to offer the best of their output, since they are sure sure to get their pay whether the company makes profits or not, this is disadvantageous for the company.

Acuff and Wood (2004) expressed that commission payment is a payment plan where the employee is entitled to a certain percentage of money from the sales he or she makes. For instance, an employee selling an item whose price is 10 U. S dollars may be entitled to10% as his commission. Many studies have shown that this is an appropriate way of motivating salespeople. Such employees put much of their effort to ensure a maximum sale, so as to earn more commission. With this type of payment plan, an employee can earn as much as they want depending on their performance. This system in fact ensures maximum performance in a company.

However, it has been argued that employees in such payment programs are often faced with the challenge of job insecurity and tend to keep changing jobs. A company is likely to loose employees every now and then. This undermines the efforts of establishing a good relationship between salespeople and the customers. In effect, the organization may not be in a position to maximize the sale of its products. The combination plan involves employees getting a certain amount of money as retainer, and then getting

the additional compensation as a commission. According to Baker (2003), this is the most effective way of compensating salespeople.

By considering the nature of a sales job, it is important that a salesperson is protected against uncertainties especially when sales are so low, by giving them some amount of money as a retainer. The additional commission works as a motivator. This method is therefore said to be the best for salespeople because it serves both sides, securing an employee who can through this plan be retained by the company for its benefit, and motivating the employee to produce the best for the benefits of the company. Critiques however argue that this plan can in certain circumstances be expensive for the company (Honeycutt, 2003).