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RESEARCH ARTICLE

SALES FORCE ACTIVITIES IN SMALL SERVICE FIRMS.

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Abstract

Small firms like their large counterparts employ the services of salespeople who make sure that the products of the firm gets to customers. This is done using effective personal selling techniques. The main thrust of this study is to assess the activities of the sales force in a small firm's context. A sample of 317 customers was selected for the study using simple random sampling technique. Even though customers had issues with sales force provision of adequate information on price changes, the results showed that the majority of customers agreed that the sales force did well when it came to building good image, ensuring loyalty, changing attitude and creating product awareness.

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Introduction:-

Personal selling is recognized as an important part of marketing, and particularly for companies that operate in business-to-business markets (Ingram et al, 2009). Panitz and Withey (2001) agree that personal selling activities are vital ingredients to most organizations and also critical component of marketing success. The role of salespeople in establishing and maintaining relationships with customers has become increasingly complex. Markets are in flux. Stewart (2001) asserts that knowledge assets and intellectual capital are determining organizational and market success. Organizational members that engage in personal selling initiatives play a vital role in the overall success or failure of businesses. The personal sales interaction is important to both being competitive and stimulating consumption for organizations and economies existing in capitalistic markets (Korczynski, 2005). As such, the success of personal selling efforts of an organization determines the economic health of the company. Utilizing a sales force to sell products is a strategic decision by an organization because of the wide-range of sales channel options that exist for selling products and services. Rackham and DeVencentis (1999) point out that, customers are attaching increased importance to a seller's interaction approach which can include transactional (e.g., a more simplistic sales situation such as a non-complex product or a re-buy situation), consultative (e.g., complex products), and enterprise/partnering, whereby the latter two are typically more ideal for appropriately utilizing the sales representative's ability to tailor communication versus other types of sales channels that are more suited for transactional selling. Researchers agree that successful interpersonal relationships in marketing efforts are important for building trust and commitment for business transactions (Zhao & Cavusgil, 2006). The role of the sales representative is growing and often becoming more ambiguous. The fundamental task of the sales representative typically involves finding customers, winning customers, and keeping customers. Moncrief et al (2006) posits that the tasks of the sales force are numerous and include, but not limited to, technology usage, meetings, travel, client entertaining and the various other expectations that come with many sales jobs across industries. Since the sales representative acts in an intermediary or "boundary-spanning" capacity, they have to cope with multiple and sometimes incompatible expectations from the customer and management and may create role conflict and

ambiguity for the sales representative (Miao & Evans, 2007). Sales performance research continues to be an important topic because salespeople have been shown to exhibit a wider range in performance outcomes than almost any other organizational job type, an inability to explain variance in the construct persists, and sales related research continues to have high managerial relevance (Plouffe & Barclay, 2007). Much work is left to be done in the continued development of personal selling scholarship. Due to the high stakes of the sales interaction, the high costs of training and maintaining a sales force, and the intrinsic need for the influx of capital within the organization, garnering an understanding of effective and ineffective sales efforts has been a leading pursuit of scholars studying personal selling (Fine, 2007). In addition, with the increased emphasis on and changing environment of the sales landscape, the sales force's role as critical ambassadors of the organization, important mouthpieces and representatives toward the formation of organizational identities, and active boundary spanners linking companies to customers' needs to be examined through scholarship. The study's main aim is to assess the effectiveness of personal selling strategies employed by Naatoa Telecommunication Systems a small business providing services to customers in the Cape Coast metropolis of Ghana.

Literature Review:-

Meaning of Personal Selling:-

Weitz et al (2004) have defined personal selling as an interpersonal process whereby a seller tries to uncover and satisfy a buyer's needs in a mutually, long-term beneficial manner suitable for both parties. Marone and Lunsford (2005) have described personal selling as being characterized by a mutual, two-way flow of information between a buyer and seller about a good or service or a combination of both. Consultative selling, value-added selling, professional selling, needs satisfaction selling, customer-oriented selling, strategic selling, relationship selling, solution selling, and partnering are all terms commonly used in congruence, and often interchangeably, to describe the personal selling process (Marone & Lunsford, 2005). Personal selling also embraces the hard sell, with a brash and persistent salesperson delivering a volley of unrelenting persuasive messages at a confused and reluctant consumer (Fills, 2002). That is, it is also the personal communication of information to persuade prospective customer to buy a product, service or an idea.

Theoretical underpinning:-

Quite a number of theories underline personal selling in organizations performance. These theories include the AIDAS theory of selling, right set of circumstances theory of selling, buying formula theory of selling and the behavioral equation theory.

AIDAS Theory of Selling:-

This theory is based on the premise that during a sale presentation, the prospect consciously goes through five different stages. According to Bhasin (2010), AIDAS theory of selling is one of the widest known theories and is the basis for training materials across numerous organizations. This theory is the basis for many sales and advertising texts and is the skeleton around which many sales programs are organized. AIDAS stands for Attention, Interest, Desire, Action and Satisfaction. During the successful selling interview, according to this theory, the prospect's mind passes through these five mental states.

Right Set of Circumstances Theory of Selling:-

This theory explains the fact that all the circumstances, which led to the sales were appropriate for the sales to have taken place. This theory, sometimes called the "situation-response" theory, had its psychological origin in experiments with animals and hold that the particular circumstances prevailing in a given selling situation cause the prospect in a predictable way. If the salesperson succeeds in securing the attention and gaining the interest of the prospect, and if the salesperson presents the proper stimuli or appeals, the desired response (that is, the sale) will result. According to Dhiman (2013) this is a seller-oriented theory: it stresses the importance of the sales person controlling the situation, does not handle the problem of influencing factors internal to the prospect, and fails to assign appropriate weight to the response side of the situation-response interaction.

Buying Formula Theory of Selling:-

In contrast to the two previous theories, the third emphasises the buyer's side of the buyer-seller dyad. The buyer's needs or problems receive major attention, and the salesperson's role is to help the buyer find solutions (Dhiman, 2013). This theory purports to answer the question: What thinking process goes on in the prospect's mind that causes the decision to buy or not to buy? The buying formula is a schematic representation of a group of responses, arranged in psychological sequence. The buying formula theory emphasizes the prospect's responses (which, of

course, are strongly influenced by internal factors) and de-emphasises the external factors, on the assumption that the salesperson, being naturally conscious of the external factors, will not overlook them. Since the salesperson's normal inclination is to neglect the internal factors, the formula is a convenient way to help the salesperson remember.

Behavioural Equation Theory:-

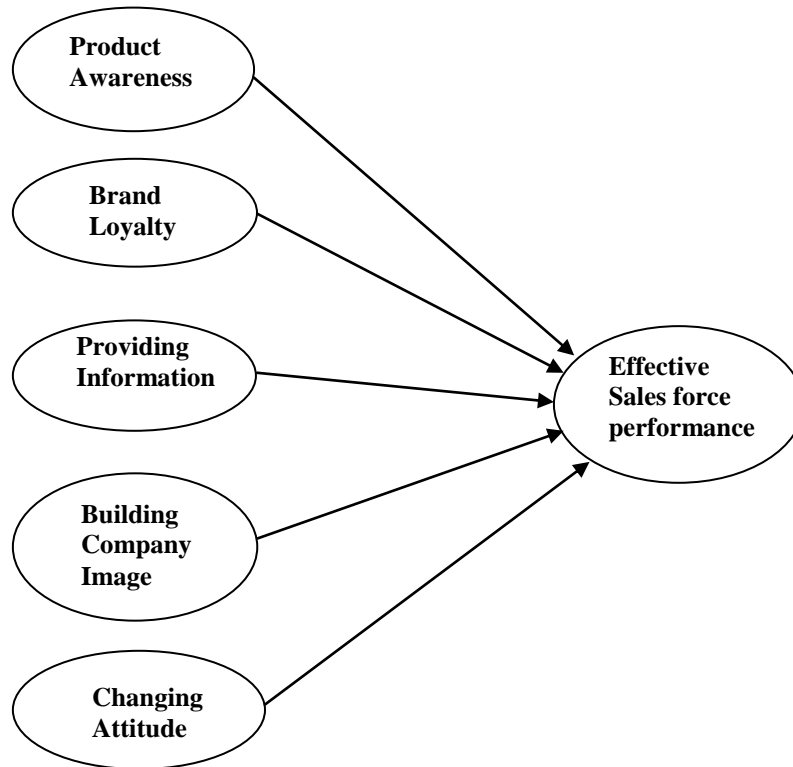
Cohen (1988) explains buying behaviour in terms of the purchasing decision process, viewed as phases of the learning process. Certain essential elements of the learning process included in the stimulus response and reinforcement model were used in explaining this theory. The drives that impel the buyer's response included the innate drives that stemmed from the psychological needs and the learned drives, such as striving for status or social approval.

Empirical Review:-

Like many aspects of marketing research, several other academicians have contributed to the body of knowledge around personal selling and the measurement of salesmen's performance. Hansen (2009) believes that the investigation of decision making in personal selling and sales management is an important area of research that contributes to both theory and practice. Empirical evidence from Kola and Akinyele (2010) indicates that out of the total responses, 66 percent of respondents believed that Nigerian salespeople provide adequate and relevant information effectively and moderately. These salespeople are seen as being capable of providing more flexible and adaptable information to customers. This study further revealed that personal selling and advertising in Nigeria are moderately effective in providing information, creating awareness and changing attitude whereas ineffective in building company image and enforcing brand loyalty. Bäckström (2008) also conducted extensive studies on personal selling and relationships. As part of the study, industrial selling in Swedish manufacturing small and medium-sized enterprises (SMEs) was qualitatively analyzed. Nineteen respondents in various positions within the selected companies were interviewed. The study's findings indicated that selling activities performed by manufacturing SMEs in the study are complex and include a variety of activities. The numerous individuals found to be involved in selling represented several different functions within the selling company. Ferrell et al (2007) looked at personal selling and sales management ethical decision making in sales and marketing ethics research and grounded in ethical decision-making models in marketing. Other studies, like McClaren's (2013), have also examined the relationship between salesmen and customers from an ethical perspective. Bradford and Weitz (1999) examined how the practice of personal selling and sales management is changing as a result of the increased attention on long-term, buyer-seller relationships to identify some implications of these changes. From their perspective, changes in the traditional personal selling and sales management activities are needed to support the emergence of the partnering role for salespeople.

Conceptual Framework:-

According to Kotler and Armstrong (2005) salesperson's performance can be measured by gathering information from different sources which might include personal observation, customer survey and talks with other sales people. Polturi (2008) posits that effectiveness of sales force and personal selling activities most dominantly is evaluated in terms of communication effects like how willing the salespeople are at solving customers problems, how competent salespeople are in terms of providing adequate information about the product and how salespeople are able to help satisfy customer needs. The current study resorted to conceptualising the evaluation effective sales force activities, using how well the sales force is able to create awareness, provide information, enforce brand loyalty, build company image and change attitude. This is in line with the proposition by Kotler and Armstrong (2005) and Polturi (2008).



A Conceptual Framework of effective sales force performance.

Source: Author's construct

Methodology:-

The descriptive survey design was used for the research. The population of the study consisted of a total of 1800 customers of NTS in the Central and some part of the Eastern Regions of Ghana. Out of the total of 1800 customers of NTS in these regions, a sample of 317 was drawn for the study. Proportionate sampling technique was adopted in selecting the sample from the population for the study. This study adopted the proportional sampling procedure. Out of 317 sample size, there were 250 (79%) response and 67 (21%) non-response. The 250(79%) respondents comprised 156 males (62.4%) and 94 females (37.6%). The data was primarily collected through the use of self-administered questionnaires which were made up of 27 items. The data collected was first edited to remove errors and then coded accordingly. They were then processed using the Statistical Product for Service Solutions (SPSS 21.0 version). Both the demographic characteristics of the customers and the variables measuring personal selling effectiveness were analyzed, using frequencies, percentages as well as means.

Results and Discussions:-

Role of Personal Selling in Changing Consumer Attitudes:-

The first objective was to determine how salespeople are able to affect the attitude of respondents towards accepting and using the product. To effectively communicate a firm's value, salesmen are mandated to perceive and adequately drive prospects from an adverse preconceived view of the firm and its products. Respondents were asked to rank how effective they viewed the efforts of Salesmen of NTS in changing their attitudes towards the firm's services. Their responses are summarized in Tables 1 and 2.

Table 1:-Respondents views on ability of salespeople to change attitude

Statements	1	2	3	4	5
Salespeople provides reasons why the product is the right to purchase	13.6	14.4	18.4	17.6	36
Salespeople ensure that customers switch to using the product being offered	6.4	11.6	25.3	24.1	32.5
Salespeople convince present and prospective customers of the benefits of using the products	8.8	12.8	20	21.6	36.8
Salespeople convince prospects to use the product being offered and win their trust	10.4	9.2	17.2	24	39.2
CA Average	9.8	12.0	20.2	21.8	36.1

Table 2:- Chi –Square Test on Changing Attitudes

Chi-Square	70.920
Df	4
Asymp. Sig	.000

Respondents generally gave high rankings to salespeople on the issue of their ability to influence their attitudes. Under all criteria used to assess this, more respondents ranked salespeople to be effective in influencing attitude. For instance, as many as 53.6% of respondents agreed that salespeople of NTS provided reasons why the product is the right one to purchase. Similarly, 56.7% of the respondents claim that the ability of salespeople of NTS to ensure that customers switch to using the product being offered is above average. It must also be noted that in all criteria used for the assessment, the proportion of respondents who gave Salespeople of NTS the highest ranking were in the majority. When these four indicators of Changing Attitude are combined, it is evident that most respondents (36.1%) gave Salespeople of NTS the highest rank. Only 9.8% of respondents did not believe that the message communicated by salespeople of NTS could substantially change their attitudes towards the firm's product and, therefore, ranked them low. The Chi-Square test conducted on respondents views suggest a significant difference among the responses of respondents at $\chi^2 = 70.920$ ($p < 0.0005$). This shows that there is a statistically significant difference between the number of respondents who gave high ranks to salespeople and those who gave low ranks. Since also more respondents gave high ranks, it can be said that Salespeople of NTS are effectively changing the attitudes of respondents in favor of the products of NTS.

Role of Personal Selling in Building Image and Brand Loyalty:-

The second objective of the study was to assess how well respondents view the effort of salespeople in building the corporate image of NTS as well as building brand loyalty by consumers. In all, four statements each were used to assess each of the components understudy. The results are presented in Tables 3 and 4

Table 3:-Building Corporate Image

Statements	1	2	3	4	5
Salespeople exhibit the good salesmanship during sales	14.8	16	14	18.4	36.4
Communication between salespeople and customers are cordial showing that the company understands the customer	9.2	12.4	17.6	22	38.8
The company policies and practices are always brought to fore during sales	11.2	11.2	16.4	24.4	36.8
Information about the company are always provided to customers during sales for future transactions	11.6	14.8	16.0	19.2	38.4
Average	11.0	13.6	16.1	21.0	37.6

Table 4:-Building Brand Loyalty

Statement	1	2	3	4	5
Salespeople are able to sustain customer interest in repeated purchase of product being offered	11.2	13.6	20.4	16.8	38
Salespeople are able to get the attention of the customer throughout the sales process	5.2	14.4	16	21.6	42.8
Salespeople ensure that customers are offered exactly what they desire	8.4	14.4	13.2	25.6	38.4

from NTS					
Salespeople always offer the same brand and reiterate the need to purchase the brand	5.2	11.2	19.2	22	42.4
Average	7.5	13.4	17.2	21.5	40.4

Respondents' views on how salespersons are able to build corporate image as well as loyalty among consumers are comparatively similar. Both components of personal selling see ranks that are generally above average. It can be seen that respondents view the effort of salespeople towards building brand loyalty more highly than they do towards building corporate image. This is evident in the fact that 58.6% (i.e. $CI = 21.0 + 37.6$) of the respondents ranked the corporate image building efforts of salespersons more than average as compared to 61.9% (i.e. $BL = 21.5 + 40.4$) of the respondents who believe that salespersons are able to effectively build consumers' loyalty to the brand. The ability of salesmen to build loyalty with customers has been linked to successful interpersonal relationship.

Role of Personal Selling in Educating and Getting Feedback from Customers:-

Six statements were used to assess the role of personal selling in effectively communicating with respondents. These statements assessed whether the sales communication provides enough product information about product features, price changes, product availability, and promotional activities as well as auxiliary information, like quality. Tables 5 and 6 present respondents' views on this.

Table 5:- Provision of Information

Statement	1	2	3	4	5
Information on product features are readily provided	14.0	9.6	13.6	21.2	41.6
Customers are pre-informed on price change before it takes effect	15.3	14.9	15.3	23.3	31.3
Salespeople make information available to customers concerning the availability of the product	6.8	10.8	21.6	21.2	39.6
Customers are given detailed information on promotional activities	9.6	8.8	15.3	24.5	41.8
Salespeople provide all necessary information on the company to the customer	8.0	12.4	18.0	20.4	41.2
Other auxiliary information concerning the product are provided	10.0	8.0	20.4	21.6	40.0
Average	10.6	10.7	17.4	22.0	39.2

Table 5 presents a picture similar to that seen in the analysis of the other components of personal selling. Just like changing attitude, building brand loyalty and building corporate image, more respondents believe that the salespersons of NTS provide the necessary information to consumers by effectively educating respondents on the values of the product. In all, about 61.2% (i.e. $PI = 22 + 39.2$) of respondents ranked salespersons above average in this regard.

Table 6:-Provision of Information (Descriptive statistics)

Statement	N	Mean	Std.
Information on product features are readily provided	250	3.67	1.45
Customers are pre-informed on price change before it takes effect	250	3.41	1.45
Salespeople make information available to customers concerning the availability of the product	250	3.76	1.27
Customers are given detailed information on promotional activities	250	3.80	1.33
Salespeople provide all necessary information on the company to the customer	250	3.74	1.32
Other auxiliary information concerning the product are provided	250	3.74	1.33

Table 6 shows the average rank of respondents on each of the aspects of information provision. It can be seen that whereas the respondents view almost all the other components of information provision much above average, that of pre-informing customers about price change was relatively just above average. This means that, out of all the aspects understudy, respondents see that the effort of salespersons in providing information on price changes before

it takes effect is relatively more average. Effective personal selling allows for consultation and the asking and answering of questions (Rackham, 1988), and the provision of all relevant information to customers in order to capture their value.

Conclusion:-

The findings of the study have generally brought to the fore some important issues about the Ghanaian consumers' perceptions towards some personal selling strategies and how effective these strategies are in the activities of the sales force. On the evidence that the personal selling efforts towards changing respondents' attitudes on the products and offerings of NTS are being effectively performed by salesmen, it may be said that salespersons of NTS are generally receptive to customer differences and are able to perceive any resistance towards the communication efforts. It was also seen that salespersons of NTS are more able and capable of building brand loyalty than building corporate image. This may be as a result of the conscious efforts of salesmen towards building profitable relationships with clients more than upholding corporate cultures. Respondents' perception on information provision abilities of salesmen of NTS reveals an interesting result. Clearly, respondents believe that, unlike all the other criteria for assessing the salesmen's roles in providing adequate information, their role in providing information of subsequent price changes is relatively lacking

Recommendations:-

Since the research reveals a generally competent group of professionals with the aptitude for combating customer misconceptions of the firms' products, there is the need to offer adequate training and development for personnel to see the importance of this role and improve on their attitude-changing prowess. Salesmen in general must build loyalty with their customers by effectively communicating the firm's values and cultures for the customers to identify themselves with such values. More efforts are needed in order to preinform customers of any price changes before they occur. Provision of such information has been seen to carry a higher impact on performance. There is the need for coordination between and among all units in charge of pricing decisions so that such information can be made widely available to respondents beforehand. Corporate image building, provision of information and building loyalty have been seen to be the three strategies that most significantly define customer perceptions of salesmen's performance. Since all these strategies have a positive impact on performance, there is the need for salesmen to expertly undertake such strategies to improve on their task and solidify firms' position within the market. Finally, in terms of academic implication, the study makes a useful contribution to knowledge by proving that personal selling is one of the important strategies to adopted and practiced by service firms.

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