

PERCEPTION OF CONTEMPORARY SALES PROFESSION

PERCEPCIJA SUVREMENOG ZANIMANJA U PRODAJI

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Abstract: *Selling a product or service requires various personal skills and knowledge in order to create a value for the customer. Therefore every effort made to develop new skills and knowledge is a valuable investment. Everyone who wants to succeed in modern sales must constantly work on personal and professional development. The goal of this study was to get some insight into Croatian business students' attitudes towards sales as a business function as well as skills and knowledge of modern salespeople. Our study tries to determine the which skills and knowledge students consider as the most important for the modern salesperson.*

Key words: *sales, sales profession, marketing, perception, Croatia*

Sažetak: *Za prodaju nekog proizvoda ili usluge potrebno je ovladati raznim vještonama i znanjem. Stoga je svaki trud uložen u razvijanje novih vještina i stjecanje znanja vrijedna investicija. Svatko tko želi biti uspješan u suvremenoj prodaji mora neprestano raditi na osobnom i profesionalnom razvoju. Cilj ovog istraživanja bio je dobiti bolji uvid u stav koji hrvatski student poslovne ekonomije imaju o prodaji kao poslovnoj funkciji kao i o vještinama i znanju koje je potrebno suvremenim prodavačima. Ovaj rad nastoji također utvrditi koje vještine i znanja student smatraju najvažnijima za suvremene prodavače.*

Ključne riječi: *prodaja, zanimanje u prodaji, marketing, percepcija, Hrvatska*



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1. Introduction

As customers adjust to changing environment, sales have to adapt to a variety of influences such as rising consumer and organizational buyer expectations, customer avoidance of buyer-seller negotiations, expanding power of major buyers, globalization of markets and fragmentation of markets. [2]

Every product or service that is launched on the market today will not survive long without a strong sales support. The sales department finishes the work and effort of the production and marketing. However, the market is large and demanding, and customer themselves are exposed to many companies and products that are tailor made precisely to their needs and requirements. In such situation, selling takes an important role in communication with customers. It must take further efforts to create a strong team of salespeople who can operate on the market and challenge the strong competition. Therefore salespeople need to develop and master various skills and knowledge to become successful in sales on the long run. [1]

2. Salesperson role in modern sales

The role a salesperson had in the past was to explain benefits of a certain product or a service to its potential customers. [6] Ideally the salesperson was there to fill an order (or contract) with the customer, and confirm the method of payment and delivery. Prior to that the salesperson was there to present all the product features and benefits by demonstrating the product and explaining how it can be useful for the customer. [1] However, in the modern competitive market knowing how to sell and present a product is simply not enough. Salespeople should develop skills and knowledge on how customers buy or in other words they should know what makes them tick. Customers don't buy the product features and characteristics, they are buying the added value and the role of a modern salesperson is to create that value. [4] The value that is created by the salespeople is increasingly derived from intangible things such as the quality of an offered advice and the level of trust, which is the foundation of a relationship between a salesperson and a customer. Furthermore the value of these intangible things can be surprisingly quickly undone if the customer feels cheated or if he discovers that the competition is able to provide a higher value sales process. [3]

3. Modern sales skills and knowledge

Skills represent a combination of factors that can be used to perform sales more effectively. Skills are best classified into three areas – communication skills, persuasive skills and relevant skills. [6] Rarely in practice such a division can be achieved, but still it can provide necessary understanding of what is required of modern salespeople.

Knowledge is an important resource of any company and it is primarily stored in its people. [3] Salespeople are an important part of an overall organization which is in contact with customers, the most important resource from the market competition perspective. [2] With a good knowledge about our company, competition as well as

customer needs company will never run out of powerful arguments, especially in those critical moments when a sale should be closed or there should be a response to customer's complaints. Some of most important knowledge that modern salespeople should develop are according to Tomašević [6]: Company knowledge, Product knowledge, Customer knowledge, Competition knowledge, Market trends, Methods of after sales activities, Planning and sales budgeting, Sales forecasting, Foreign Languages, Business Ethics.

4. Problem and hypothesis

The main research goal is to get some insight into Croatian business students' attitudes towards sales as a business function and skills and knowledge of modern salespeople. We will try to determine the which skills and knowledge students consider as the most important for the modern salesperson. Therefore we formed following hypothesis:

1. Economy students most commonly associate sales with money and profit.
2. Economy student consider marketing department more important than sales department .
3. Economy student perceive communication skills as the most important skills for working in sales.

5. Method

The questionnaire that was prepared for this study was distributed through e-mail and in classroom. From a total of 232 questionnaires, 149 were collected on physical lectures and 83 via e-mail.

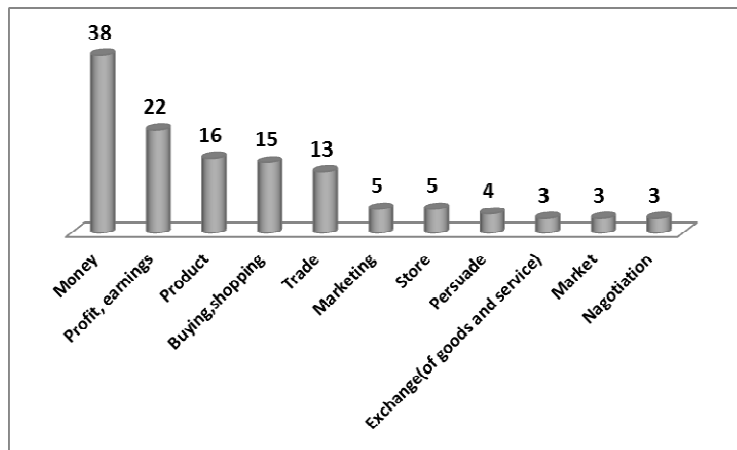
6. Sample

The study involved students of 3rd, 4th and 5th year of study due to completed courses in marketing and possibly additional courses in sales. The survey was conducted across the following Croatian faculties: Faculty of Economics in Osijek (N=54), Faculty of Economics in Rijeka (N=35), Faculty of Economics in Split (N=36) and Faculty of Economics in Zagreb (N=104).

There were 232 participants in total. 65% (149) of participants were female and 35% (80) were male.

7. Research results

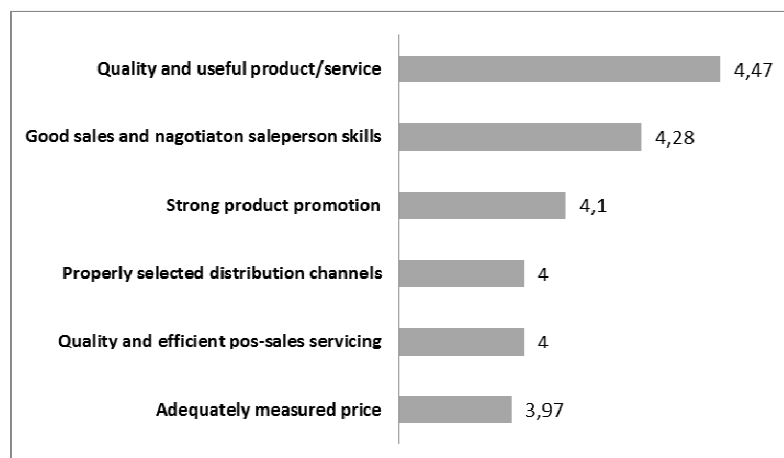
The results show that the word "money" is the most commonly associated with the sale. The words like "profit or earnings" and "product" are usually among those that very often occur on students mind. It is interesting to note that negative associations such as spoof, fog, annoyance, annoying salespeople, fraud, rolling, prostitution and violent behavior appeared only in 4% of respondents.



Graph 1 The first association on word "sales"

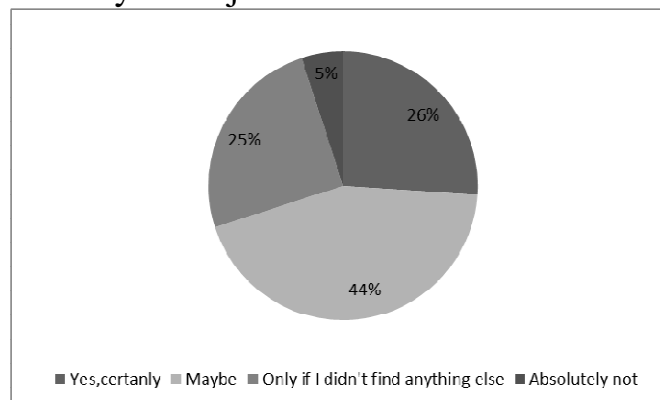
Through the survey respondents were asked to assess the importance of sales and marketing department in the entire business on a scale of 1 to 10. It is evident that marketing with 8.75 grades appears to be perceived more important department in relation to sales which scored 8.59. The gender difference in perception of department importance shows an interesting situation where men give more importance to sales department while women consider marketing department more important. Furthermore, the result by geographical criterion shows the dominance of marketing in Split, Rijeka and Zagreb while Osijek treats them as fully equal departments. The gender difference in perception of department importance shows an interesting situation where men give more importance to sales department while women consider marketing department more important.

To get a better insight into the factors considered to be important for sales success subjects were given the opportunity to evaluate each factor on the scale from 1 to 5. Evaluated factors were: adequately measured price, quality and effective post-sales service, properly selected distribution channels, strong product promotion, good sales and negotiation skills and quality and useful product/service. The results show that students consider quality and useful product or service the most important for sales success.



Graph 2 The importance of internal factors that influence the sales success

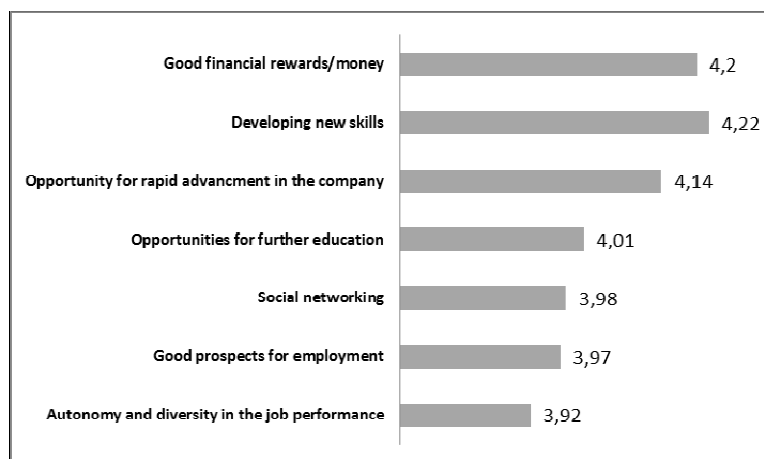
There was no significant difference among different cities in the perception of the importance factors that influence sales success. T-test for independent samples showed that for factors Strong product promotion ($p = 0.046$, $p < 0.05$) and Properly selected distribution channels ($p = 0.026$, $p < 0.05$) there is statistically significant differences in average performance between males and females at the 5% significance level. According to results female respondents gave more importance to these factors. We also wanted to determine whether business students are willing to work in sales and whether would they recommend it to others. The results show that nearly half of respondents or 44% of them might work in sales, 26% would certainly agree to work in sales while 25% of students would be interested to work in sales only if they couldn't find any other job and 5% would never like to work in sales.



Graph 3 Willingness to work in sales

When the students were asked about willingness to recommend a work in sales we found somewhat different results. The number of respondents increases with a response "maybe" to 63% while percentage of respondents who would definitely recommend working in sales decreased to 22%. Furthermore, 13% of respondents would recommend work in sales only if they could not find anything else, while only 2% of respondents would never recommend works in sales.

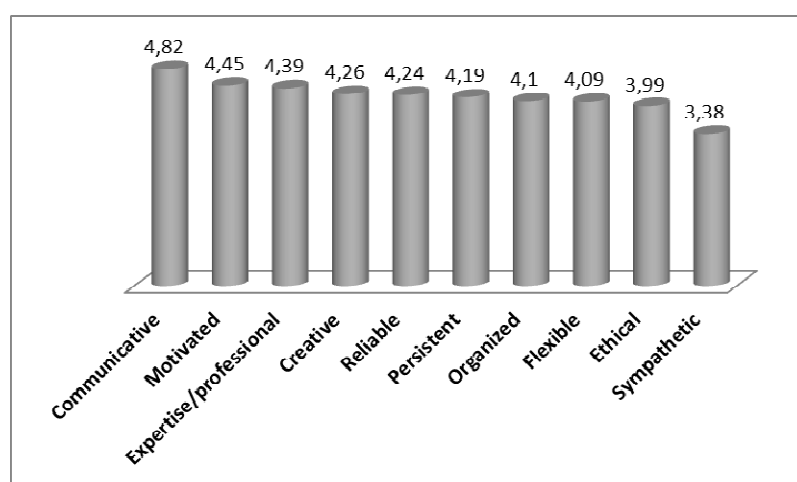
We tried to find out what would be more engaging for student to work in sales. The respondents rated Good financial rewards or money as the best reason or the greatest motivation to work in sales while the second best reason is Development of new skills.



Graph 4 Motivational factors to work in sales

There was no statistically significant difference in motivational factors for work in sales found due to location but t-test for independent samples showed that female respondents find Opportunities for further education ($t=-2,442$, $p<0,05$) and Opportunity for advancement ($t=-2,054$, $p<0,05$) in the company more important factors than male respondents.

Sales experts agree that there is no exact set of characteristics that a modern salesperson should possess in order to be successful. In our research we tried to find out which characteristics, which personal skills and what type of knowledge business students find the most important for being successful in sales. Students were first asked to use 1 to 5 scale to indicate how important is each characteristic in their opinion for succeeding in sales.



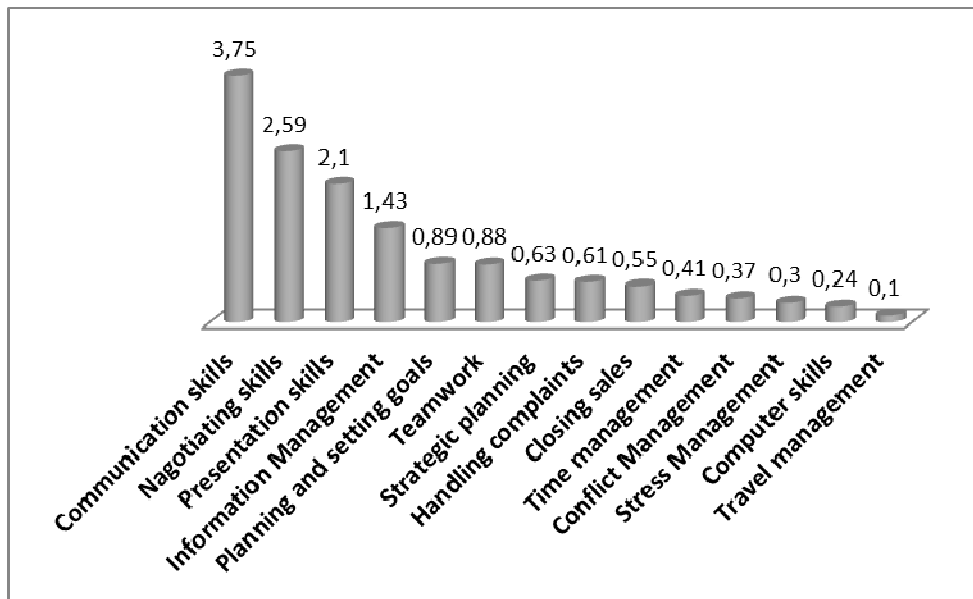
Slika 5 Characteristics of successful modern salesperson

According to students rating being Communicative turned out to be the most important with average score of 4.82. As it can be seen on graph 10 being Communicative is followed by being Motivated (4,45) and Professionalism (4,39). The least important to students are Ethics, and being Sympathetic. T-test for independent samples showed that female respondents consider Ethics ($t=-2,876$, $p<0,01$) and being Sympathetic ($t=-3,306$, $p<0,01$) significantly more important than male respondents. There were find no other statistically significant differences.

The main part of this research was assessment of importance of skills and knowledge in students' opinion. Students were given two lists. One was the list of personal skills and the other was the list of knowledge. Students were asked to choose and rank 5 skills and 5 type of knowledge they consider the most important to succeed in sales. The skill and knowledge that was a first choice was given a weight 5 and the last one chosen was weighted 1. After that the average rating the total number of weights was divided by the number of respondents and by this we received an average rating.

Analysis of personal skills perceived importance showed that the Communication skills are considered to be the most important skill in selling. In addition, among the top five most important skills are Negotiating skills, Presentation skills, Information management and Planning and goal setting. The least important skills in the

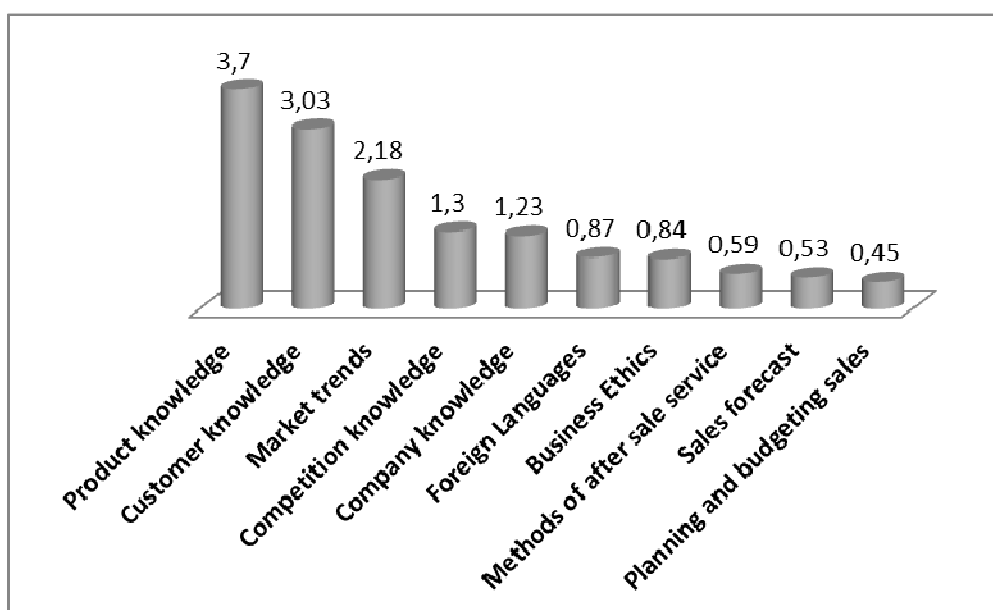
contemporary sales setting are considered to be Computer skills and Route setting management. Furthermore, on the sixth place according to perceived importance is teamwork.



Graph 6 Modern sales skills

Analyses of perceived importance knowledge type showed that Product knowledge is the most important knowledge for a modern salesperson. The second and third most important knowledge are Customer knowledge and Market trends knowledge. On fourth place is to test takers is Competition knowledge being even a little more important than Company knowledge which it is followed by. Sales forecasting and Sales planning and budgeting students consider least important.

There was no statistically significant difference found due to gender and location criteria. There were minor differences only in relation that female respondents prefer Company knowledge to Competition knowledge and vice versa.



Graph 7 Modern sales knowledge

8. Discussion

In the era of developing personal relationships with customers sales profession has lost many negative connotations that were previously usually associated with it. Students' perception of sales is primarily based on knowledge and information they gain in lectures they attend, their personal experience and experience and attitudes of opinion makers in their surroundings. There has definitely been a positive shift in perception of sales profession and salespeople are considered to hold a set of valuable and profitable skills.

This study confirmed that good communication skills are considered to be the most valuable salesperson characteristics in students' opinion. Tomašević at al.[5] showed in previous research it was evident that communication skills are among the three topics that are the most usually covered in company provided training.

Knowledge-performing salespeople in addition to good product knowledge are able to provide important information to customers e.g. information on prices, delivery terms, payment terms, warranties etc.

In students' opinion Quality product, good sales skills and strong promotion have proved to be the main factors necessary for sales success. Having in mind that students do not have much real work experience they usually base their choice on the familiarity with options. That is also an indicator for need for further research.

The psychology of motivation is very complex field and companies are adapting various motivation models in their business to engage their employees. [2] These models have to be flexible while they must soak a lot of individualism today. Croatian economics and business students in general find Good financial rewards or money as the best reason or the greatest motivation to work in sales. The fact was not surprising because the most people definitely want better pay for their work but too much stress is put on extrinsic awards while intrinsic motivators are usually neglected. According to results it appears that young people are measuring their achievement and success primarily in monetary score. However, the fact that students rated "development of new skills" on the second place is certainly a pleasant surprise, which shows that young people are willing to invest in their personal development.

There are a number of different jobs in sales and therefore salespeople have to adapt and combine their skills to adapt it to particular sales situation. Analysis of personal skills perceived importance showed that the Communication skills are considered to be the most important skill in selling. In addition, among the top five most important skills are Negotiating skills, Presentation skills, Information management and Planning and goal setting. The least important skills in the contemporary sales setting are considered to be Computer skills and Route setting management. It is surprising that the importance of Computer skills have been put so low in students ratings while IT skills are very valuable resource for sales people.

9. Conclusion

Research on perception of sales profession showed that money is the most common association connected to sales. There are a number of different jobs in sales and therefore salespeople have to adapt and combine their skills to adapt it to particular sales situation. But well developed communication skills are considered to be the most valuable characteristic of salesperson in students opinion while good financial rewards are the best reason or the greatest motivation to work in sales but students are also highly motivated by having a chance to develop new skills.

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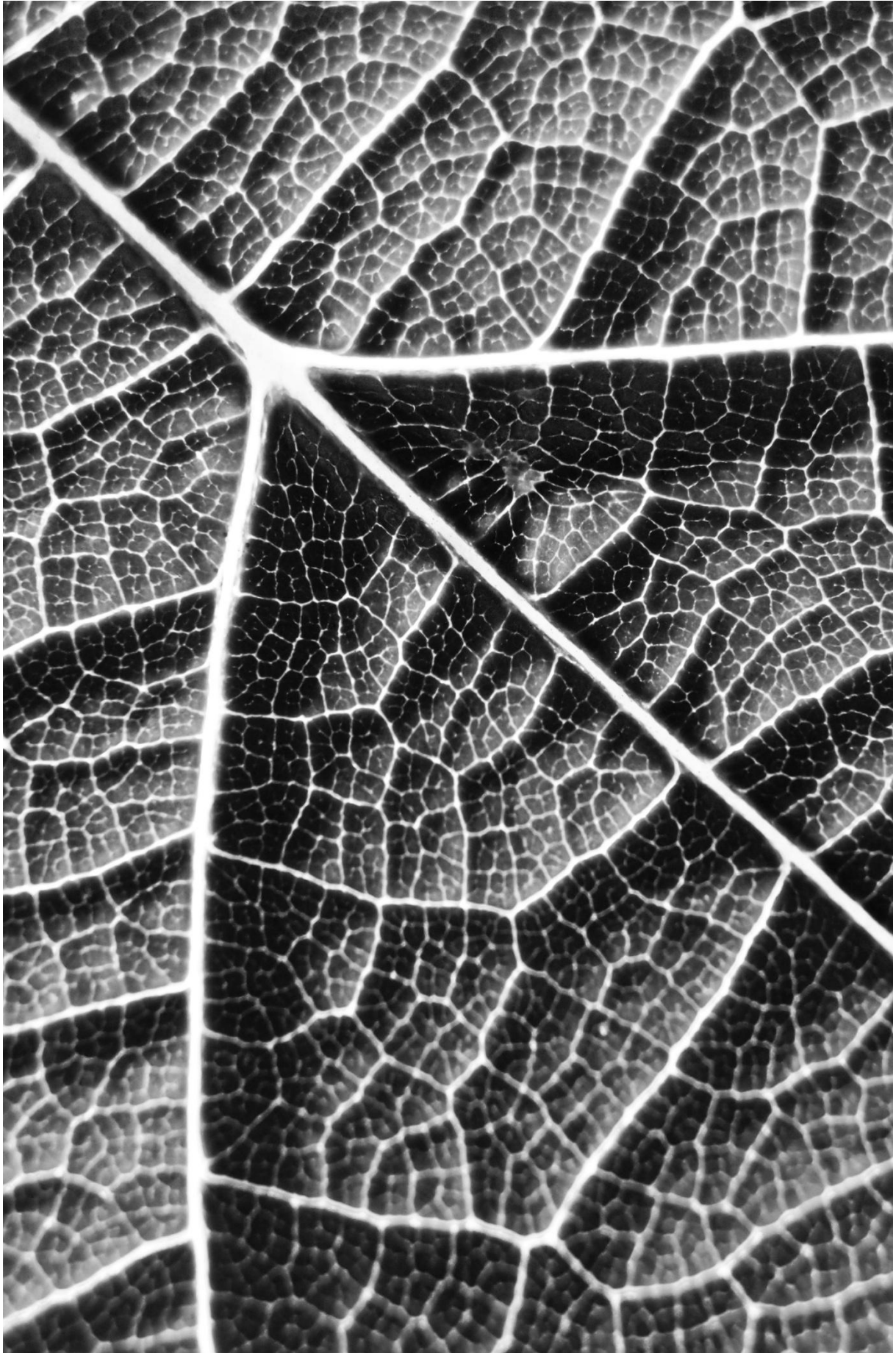


Photo 125. Leaf / List