

Cihan University
Department of Business

Sales Management
Third year

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Introduction to Sales Management

- Sales management is a critical function that involves planning, implementing, and overseeing a company's sales activities.
- It focuses on the development of a sales team and the attainment of sales goals to drive business growth and success.



Importance of Effective Sales Management

1 Enhanced Productivity

Effective sales management leads to increased productivity, streamlined operations, and improved customer satisfaction.

2 Revenue Growth

It plays a vital role in driving revenue growth through strategic planning and goal-oriented approaches.

3 Market Expansion

By aligning sales efforts with market demands, it supports the expansion into new markets and customer segments.

Key Responsibilities of a Sales Manager

Team Leadership

Guiding and mentoring sales representatives to meet targets through effective leadership. Monitoring and evaluating team performance.

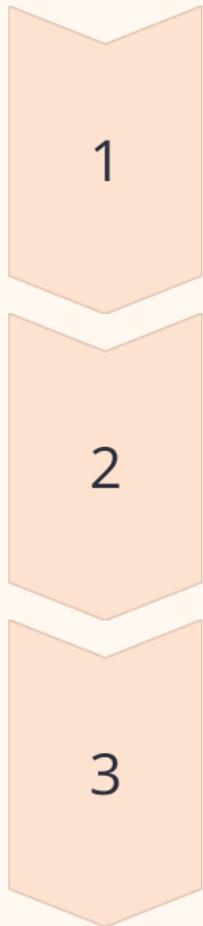
Strategic Planning

Developing sales strategies and setting objectives aligned with organizational goals. Identifying potential for business growth and expansion.

Client Relationship Management

Building and nurturing strong relationships with clients to ensure customer satisfaction and retention. Addressing customer needs and concerns to achieve long-term loyalty.

Strategies for Successful Sales Management



1 Customer-Centric Approach

Understanding customer needs and providing tailored solutions.

2 Data-Driven Decisions

Utilizing analytics and insights to drive sales strategies and optimize resource allocation.

3 Adaptability and Innovation

Embracing and leading change to stay ahead of market trends and competitors.

THE MARKETING PLANNING PROCESS



Sales Team Recruitment and Training

Talent Acquisition

Identifying and attracting top sales talent through strategic recruitment initiatives.

Comprehensive Training

Providing extensive product knowledge and sales techniques training to ensure team preparedness.

Culture and Values

Instilling a sales-driven culture and reinforcing a strong emphasis on values and ethics within the team.



Sales Performance Evaluation and Goal Setting

KPIs Targets Feedback

Key Performance Indicators

Defining and monitoring KPIs to measure individual and team performance.

Performance Targets

Setting clear, achievable targets to drive motivation and accountability.

Feedback Loop

Establishing effective feedback mechanisms for continuous improvement and development.

Sales Forecasting and Budgeting

Market Analysis

Understanding market trends, demand patterns, and competitive landscape.

Financial Projections

Developing accurate sales forecasts and budgets aligned with organizational targets.

Resource Allocation

Optimizing resource allocation to maximize sales opportunities and ROI.



Conclusion and Key Takeaways

1

Continuous Improvement

Encouraging continuous learning and development for both the team and the manager to adapt to evolving market dynamics.

2

Agility and Adaptation

Embracing agility and adaptability as core competencies in sales management to respond to industry shifts.

3

Leadership and Motivation

Exemplifying strong leadership and fostering motivation within the sales team to achieve collective success.

Sales Management

Creating and Capturing Customer Value

Week 2

Topic Outline

- Define marketing and outline the steps in the marketing process
- Understanding the Marketplace and Customer Needs
- Designing a Customer-Driven Marketing Strategy
- Preparing an Integrated Marketing Plan and Program
- Building Customer Relationships
- Capturing Value from Customers
- The Changing Marketing Landscape

What Is Marketing?

Marketing is a process by which companies create value for customers and build strong customer relationships to capture value from customers in return

The Marketing Process

A Simple Model of the 5-Step Marketing Process



Understanding the Marketplace and Customer Needs

Customer Needs, Wants, and Demands

Needs

- States of deprivation
 - Physical—food, clothing, warmth, safety
 - Social—belonging and affection
 - Individual—knowledge and self-expression

Wants

- Form that human needs take as they are shaped by culture and individual personality

Demands

- Human wants backed by buying power

Understanding the Marketplace and Customer Needs

- **Market offerings** are some combination of products, services, information, or experiences offered to a market to satisfy a need or want
- **Marketing myopia** is focusing only on existing wants and losing sight of underlying consumer needs

Understanding the Marketplace and Customer Needs

Exchange is the act of obtaining a desired object from someone by offering something in return

Understanding the Marketplace and Customer Needs

Markets are the set of actual and potential buyers of a product or service

Designing a Customer-Driven Marketing Strategy

Marketing management is the art and science of choosing target markets and building profitable relationships with them

What customers will we serve?

How can we best serve these customers?

Designing a Customer-Driven Marketing Strategy

Selecting Customers to Serve

Market segmentation refers to dividing the markets into segments of customers

Target marketing refers to which segments to go after

Designing a Customer-Driven Marketing Strategy

Selecting Customers to Serve

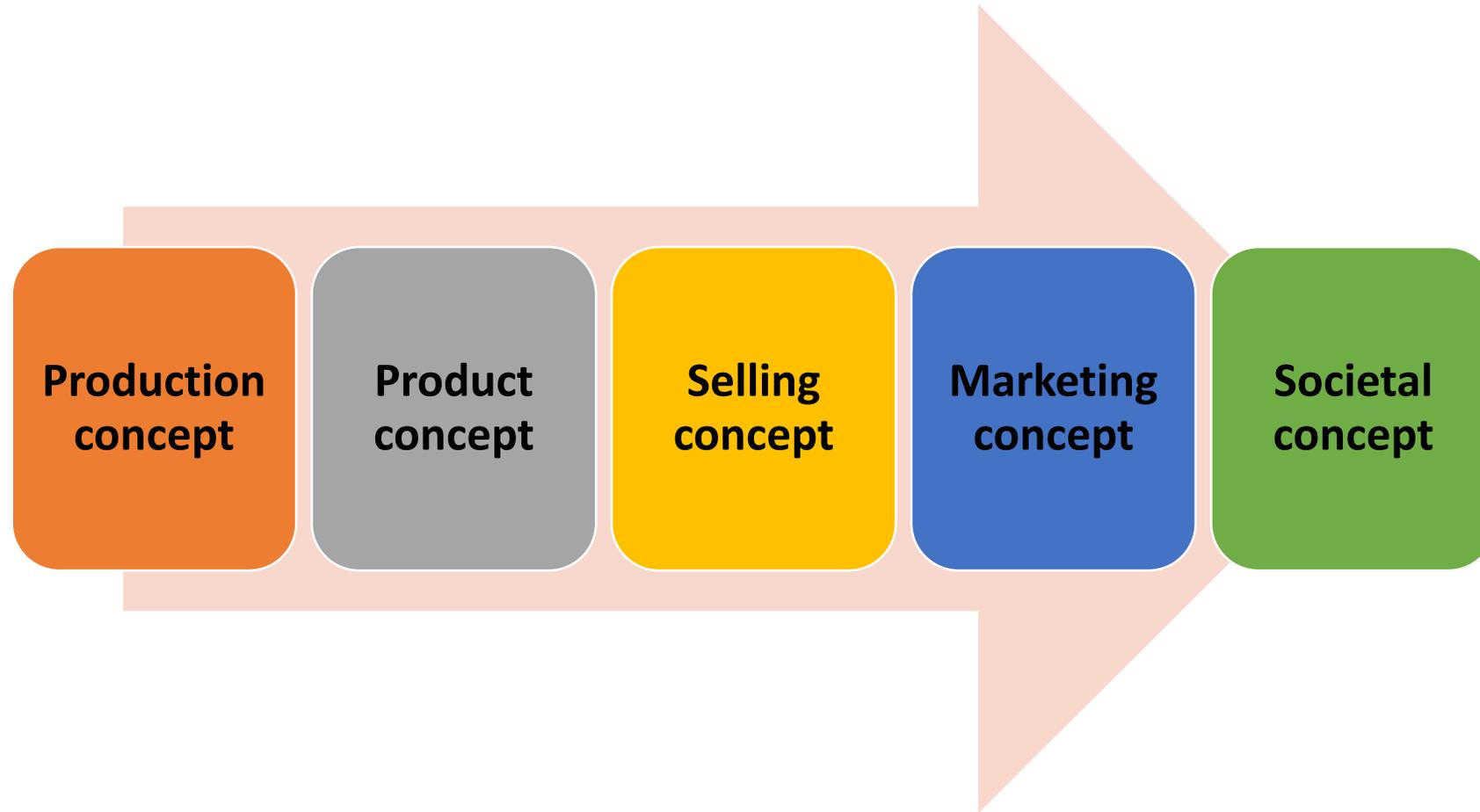
- **Demarketing** is marketing to reduce demand temporarily or permanently; the aim is not to destroy demand but to reduce or shift it

Designing a Customer-Driven Marketing Strategy

- The value proposition : Is the set of benefits or values a company promises to deliver to customers satisfy their needs

Designing a Customer-Driven Marketing Strategy

Marketing Management Orientations



Designing a Customer-Driven Marketing Strategy

marketing management orientations

Production concept is the idea that consumers will favor products that are available or highly affordable

Designing a Customer-Driven Marketing Strategy

Product concept is the idea that consumers will favor products that offer the most quality, performance, and features. Organizations should therefore devote its energy to making continuous product improvements.

Designing a Customer-Driven Marketing Strategy

- **Selling concept** is the idea that consumers will not buy enough of the firm's products unless it undertakes a large scale selling and promotion effort

Designing a Customer-Driven Marketing Strategy

Marketing concept is the idea that achieving organizational goals depends on knowing the needs and wants of the target markets and delivering the desired satisfactions better than competitors do

Designing a Customer-Driven Marketing Strategy

Societal marketing concept is the idea that a company should make good marketing decisions by considering consumers' wants, the company's requirements, consumers' long-term interests, and society's long-run interests

Preparing an integrated marketing plan and program

- **The marketing mix** is the set of tools (four Ps) the firm uses to implement its marketing strategy. It includes product, price, promotion, and place.
- **Integrated marketing program** is a comprehensive plan that communicates and delivers the intended value to chosen customers.

Building customer relationships customer relationship management (CRM)

- The overall process of building and maintaining profitable customer relationships by delivering superior customer value and satisfaction

Building customer relationships

Relationship Building Blocks: Customer Value and Satisfaction

Customer perceived value

- The difference between total customer value and total customer cost

Customer satisfaction

- The extent to which a product's perceived performance matches a buyer's expectations

Building Customer Relationships

Customer Relationship Levels and Tools

Basic
Relationships

Full
Partnerships

Building customer relationships

The Changing Nature of Customer Relationships

- Relating with more carefully selected customers uses selective relationship management to target fewer, more profitable customers
- Relating more deeply and interactively by incorporating more interactive two way relationships through blogs, Websites, online communities and social networks

Building Customer Relationships

Partner relationship management involves working closely with partners in other company departments and outside the company to jointly bring greater value to customers

Building Customer Relationships

partner relationship management

- Partners inside the company is every function area interacting with customers
 - Electronically
 - Cross-functional teams
- Partners outside the company is how marketers connect with their suppliers, channel partners, and competitors by developing partnerships

Building Customer Relationships

partner relationship management

- Supply chain is a channel that stretches from raw materials to components to final products to final buyers
- Supply management
- Strategic partners
- Strategic alliances

Capturing Value from Customers

Creating customer loyalty and retention

- Customer lifetime value is the value of the entire stream of purchases that the customer would make over a lifetime of patronage

Capturing Value from Customers

Growing Share of Customer

- **Share of customer** is the portion of the customer's purchasing that a company gets in its product categories

Capturing Value from Customers

Customer equity is the total combined customer lifetime values of all of the company's customers

Capturing Value from Customers building customer equity

- Building the right relationships with the right customers involves treating customers as assets that need to be managed and maximized
- Different types of customers require different relationship management strategies
 - Build the right relationship with the right customers

The New Marketing Landscape

Major developments

Digital age

Rapid
globalization

Ethics and
social
responsibility

Not-for-profit
marketing

Analyzing the Marketing Environment

Topic Outline

- The Company's Microenvironment
- The Company's Macroenvironment
- Responding to the Marketing Environment

The Marketing Environment

The marketing environment includes the actors and forces outside marketing that affect marketing management's ability to build and maintain successful relationships with target customers

The Marketing Environment

Microenvironment consists of the actors close to the company that affect its ability to serve its customers -- the company, suppliers, marketing intermediaries, customer markets, competitors, and publics

The Company's Microenvironment

The Company

- Top management
- Finance
- R&D
- Purchasing
- Operations
- Accounting

The Company's Microenvironment

Suppliers

- Provide the resources to produce goods and services
- Treated as partners to provide customer value

The Company's Microenvironment

Marketing Intermediaries

- Help the company to promote, sell and distribute its products to final buyers

The Company's Microenvironment

Types of Marketing Intermediaries

Resellers

Physical
distribution
firms

Marketing
services
agencies

Financial
intermediaries

The Company's Microenvironment

Competitors

- Firms must gain strategic advantage by positioning their offerings against competitors' offerings

The Company's Microenvironment

Publics

- Any group that has an actual or potential interest in or impact on an organization's ability to achieve its objectives
 - Financial publics
 - Media publics
 - Government publics
 - Citizen-action publics
 - Local publics
 - General public
 - Internal publics

The Company's Microenvironment

Customers

Customers: are the most important actors in the company's microenvironment. The aim of the entire value delivery network is to serve target customers and create strong relationships with them.

The Company's Microenvironment

Customers

- *Consumer markets*
- *Business markets*
- *reseller markets*
- *Government markets*
- *international markets*

The Company's Macroenvironment

Demographic Environment

Demography is the study of human populations in terms of size, density, location, age, gender, race, occupation, and other statistics

- Demographic environment is important because it involves people, and people make up markets.
- Demographic trends include age, family structure, geographic population shifts, educational characteristics, and population diversity

The Company's Macroenvironment

Demographic Environment

Generational marketing is important in segmenting people by lifestyle or life state instead of age

The Company's Macroenvironment

Demographic Environment

- Changes in the workforce
 - More educated
 - More white collar

The Company's Macroenvironment

Economic Environment

- Changes in income
- Value marketing involves ways to offer financially cautious buyers greater value—the right combination of quality and service at a fair price

The Company's Macroenvironment

Natural Environment

Natural environment involves the natural resources that are needed as inputs by marketers or that are affected by marketing activities

- Trends
 - Shortages of raw materials
 - Increased pollution
 - Increase government intervention
 - Environmentally sustainable strategies

The Company's Macroenvironment

Technological Environment

- Most dramatic force in changing the marketplace
- Creates new products and opportunities
- Safety of new product always a concern

The Company's Macroenvironment

Political Environment

Political environment consists of laws, government agencies, and pressure groups that influence or limit various organizations and individuals in a given society

The Company's Macroenvironment

Cultural Environment

Cultural environment consists of institutions and other forces that affect a society's basic values, perceptions, and behaviors

The Company's Macroenvironment

Cultural Environment
Persistence of Cultural Values

Core beliefs and values are persistent and are passed on from parents to children and are reinforced by schools, businesses, and government

Secondary beliefs and values are more open to change and include people's views of themselves, others, organizations, society, nature, and the universe

Responding to the Marketing Environment

Views on Responding

Uncontrollable

- React and adapt to forces in the environment

Proactive

- Aggressive actions to affect forces in the environment

Reactive

- Watching and reacting to forces in the environment