Sales management

Colofon

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Preface

Scoren.info

The book in front of you is a source book that is part of the Scoren.info method. Scoren.info is a method for commercial programmes at levels 3 and 4. The programmes are:

- Commercial assistant (CA), level 3
- Contact Centre assistant (CCA), level 3
- Recruiter (REC), level 4
- Junior Account Manager (JAM), level 4
- Branch Manager Wholesale (BMW), level 4
- Assistant Manager International Trade (AMIT), level 4.

Qualification file

Naturally, the programme is subject to requirements with regards to carrying out the profession.
The requirements to get started in a certain profession are listed in a so-called qualification file.
This file includes the core tasks. Core tasks are important tasks in a profession. To gain a good understanding of these core tasks, you must carry out work processes and develop competences.
Work processes are work activities you need to perform daily. To do this properly, you must develop all kinds of skills, such as collaboration, listening, taking initiative, developing professional skills and dealing with stress. These are also referred to as competences. The source books and the contents in the digital learning environment will help you with this.

How does the method work?

The method consists of source books and a digital learning environment. For each programme, you will require a number of source books. These source books describe the important basic theory and explain concepts and terminology. In the digital learning environment you will find very diverse assignments. You will also find videos, web links and other source material belonging to this source book. The digital learning can be visited at digitaal.boomonderwijs.nl.

▶ Watch the video in the digital learning environment.

🌐 Activate the weblink or download the document in the digital learning environment.

Log in

If you want to log in to the digital learning environment for the first time, you must first activate the license. You have received this license when you bought this book.

How to activate the license?

The license must first be activated. Activation works as follows:

- Check with you teacher which type of account you are using.
- Visit www.boomberoepsonderwijs.nl/licentie.
- Watch the instruction video or read the instructions.
- Follow the instructions on screen.

Good luck!

CHAPTER 1
The communication process

1.1 INTRODUCTION

Good communication is important in all commercial organisations. In your chosen profession you need to communicate daily: during work meetings, when you are guiding co-workers, when you are selling products, arranging transportation or when you are writing emails and promotional messages. These are the reasons that good communication is essential; but what is communication?

Communication is the exchange of information. It is a two-way process where interaction is essential for good communication. Communication is a complex process that can be disrupted by many factors.

We are surrounded by communication all the time: a billboard at the bus stop, a banner on Facebook or commercials on TV and radio. You talk to a friend, your classmates or your parents. Every day you receive a lot of messages, to which you respond with both words and body language.

Communication is important for building and maintaining relationships with customers, suppliers, intermediaries and employees. This is why you need to understand the communication process and how to use it.
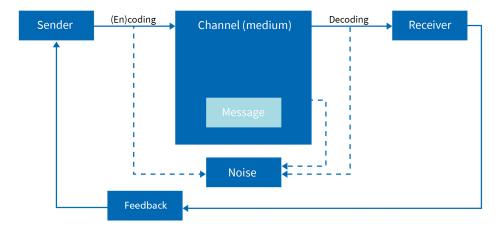
Communication is possible through many channels.

1.2 THE SMCR MODEL

Communication is possible in many ways but it always follows a process or model: the **SMCR model**. This model shows the most important concepts of communication: Sender, Message, Channel and Receiver. The sender is the person or organisation who wants to pass on a message. This is done by sending the message through a channel. The channel, or medium, could be a personal conversation but also an email or an advertisement. The person for whom the message is intended is the receiver.

The communication process according to the SMCR model.

Feedback

When the receiver responds, it is called **feedback**. The receiver has now become the sender. From the feedback the sender can conclude whether the message was received the way it was intended. The reaction of the sender to the feedback is also called feedback. For example, thanking the receiver or asking if the message could be sent again but louder or in a different way.

Indirect feedback

The sales manager is giving a speech during the yearly staff dinner. All sales employees are present. During the speech the audience cannot provide a direct response. Still, the sales manager receives an indirect response, the sales staff is softly whispering to each other. This is a message to the sales manager: maybe his speech is too boring or it is taking too long. If everyone would be actively listening, it would also be an indirect response: the speech is interesting. So, without speaking, the employees still give feedback. They show what they think of the speech: boring, too long or interesting.

Encoding and decoding

The sender sends a message to the receiver. The sender wants the receiver to understand the information given. That is why the sender needs to design a clear message. Designing a message is called **encoding** or **coding**. The sender translates his thoughts into words, images or body language. The receiver then **decodes** the message in order to understand it. He interprets the message. This means that the receiver asks himself what value the message has for him.

Miscommunication

A lot can go wrong when encoding or decoding which can lead to misunderstandings. The sender determines beforehand what effect the message should have. When the message is not received in the way the sender had intended, something went wrong. The sender could try again, until the receiver finally does understand the message.

Communication as a dynamic process

Communication is something you do together. It is a two-way dynamic process where interaction is essential. Receivers can also be senders. Those roles are changing continuously.

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Sender = receiver	Interaction	Receiver = sender

Communication is a process of continuous interaction between a sender and a receiver.

Noise (interference)

A sender turns their message into words, images or body language. The receiver then turns the message into meaning. This looks like a simple process, but it is not. **Noise** is everything that distracts the communication from being optimal. Noise is interference. It is all the factors that cause a message not to be received the way the sender had intended it. Noise can be internal or external.

External and internal noise

External noise arises from outside influences such as the sound of a car passing by. External noise can be prevented by talking to your customer in a quiet place without any outside interference.

Internal noise is caused by limitations or carelessness of the sender or the receiver. The receiver doesn't understand the message or is distracted. The message could be badly worded or the language used is not clear to the receiver. If a customer does not feel comfortable during a sales conversation, there is internal noise. They could take on a defensive attitude and decide to look for a different supplier. You can prevent internal noise as much as possible by preparing properly for your conversation with the customer.

This is probably the emoji that is most often used in the 'wrong' way. This emoji looks like it is expressing 'I am fed up', as in everything went wrong today. Sometimes, it is also seen as a weeping or sniffling emoji. The true meaning is: this is a tired emoji. In Japan they use a snot bubble to indicate that someone is tired.
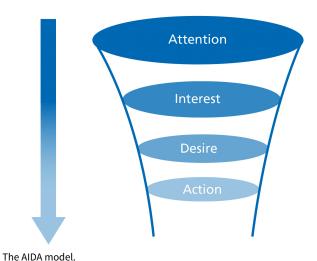
People often understand emojis in different ways. This can cause noise and may lead to miscommunication and misunderstanding.

Redundancy

Redundancy is excess information. Sometimes this is unnecessary, other times this can be helpful. If you say the same thing over and over, it might cause annoyance with the receiver. When that is the case, redundancy causes noise; the receiver is bored. Repetition can also be useful, for example, when you are in a noisy room or are trying to sell a complex product.

1.3 AIDA MODEL

With the **AIDA model** you can encourage a (potential) customer or target group to buy a product or service. This model can be used for all commercial communications. It is often used for writing advertisements, banners, mailings and promotional messages. The letters stand for Attention, Interest, Desire and Action.

The AIDA model.

A = Attention

The purpose of the attention phase is to draw attention to a message. The receiver, or (potential) customer, must be immediately curious, or else they will not continue reading. You can draw attention by using a tantalising first sentence, question or email subject line. The receiver must feel the urge to continue reading or fear missing out. With the first paragraph you stimulate the receiver to continue reading.

I = Interest

After you have successfully completed the first step, the potential customer becomes a 'suspect'. In this phase you will try to pique their interest. The receiver must get the impression that the message is relevant and that continuing to read is in their best interest. This is possible by mentioning unique selling points (USPs). By using USPs you can distinguish yourself from competitors. For example, you can mention the low prices you offer or give a quality guarantee.

D = Desire

When the potential customer reaches this stage, they become a 'prospect'. This phase is about desire. The receiver is aware of the advantages of the product and now you need to try to change their interest into desire. The receiver must feel the need for the product and must think that they cannot do without it. This can be done by using a soliciting last paragraph or a desirable design.

A = Action

The prospect has now become a 'hot prospect'. In this last phase you make a call to action. You prompt the customer to take action, for example, through placing an order or linking to a website. It is important that the customer thinks that their actions are voluntary. When the customer takes action, the message has reached its goal.

1.4	TYPES OF COMMUNICATION

Communicating can be done in different ways. You can communicate one-to-one, in a group or in front of a crowd. Talking is communicating but so is gesturing.

Communication can be divided in the following ways:
- intrapersonal communication and group communication
- mass communication and interpersonal communication
- internal and external communication
- verbal and nonverbal communication
- formal and informal communication
- two- (or multiple-)way communication and one-way communication
- direct and indirect communication.

Intrapersonal communication and group communication
Intrapersonal communication is communication a person has with themselves. For example, evaluating after a meeting and writing down your notes. You do this by yourself. **Group communication** is communication within a group. For example, a sales meeting with a DMU or a briefing with procurement and distribution.

Mass communication
Mass communication is public communication that is accessible to everyone. When you use mass communication you intend to reach a large audience. You spread your message mostly through television, radio or a daily newspaper. The receiver reacts, for example, by sharing the information or by buying something. The sender then becomes the receiver.

This form of communication is relatively cheap because you can reach a lot of people at the same time. The power of mass communication has been diminishing over the past years. One-to-one marketing and communication have become more and more important.

Mass communication spreads a message to multiple recipients.

Interpersonal communication

Interpersonal communication is direct communication between two people. The message has more personal content than with mass communication. You can customise the message to fit the receiver. The primary focus is stimulating the relationship with a customer, a colleague, a friend or any other person. With interpersonal communication you can respond to a specific situation. This doesn't have to be face-to-face but can also be done by chat or over the phone. Culture, language, emotions and an overflow of information influence this communication process. This type of communication is very commonly used by sales people.

Mass communication	Interpersonal communication
One-way	Two-way
Large reach	Limited reach
Relatively cheap	Relatively expensive
Not tuned to individual receiver	Tuned to individual receiver
Effect is not noticeable right away	Effect is noticeable right away
Little depth in message	A lot of depth in message

Types of interpersonal communication

Word of mouth communication or WOM is a form of interpersonal communication. Word of mouth communication can be very effective. After all, you are often more accepting of information from people of your own social group than of others. Another form is **one-to-one communication**, this is where you personalise the message for one single receiver. For example, a personal offer from a wholesaler.

Word of mouth communication.

Internal and external communication

Internal communication is communication within an organisation, such as a work meeting or a conversation between a sales person and a warehouse employee. **External communication** is communication with the outside world, for example through a mailing, a flyer, sponsoring, a press release or an article in a trade magazine.

Verbal and nonverbal communication

Verbal communication is communication with words. The best-known example of verbal communication is talking, but whispering or yelling and writing are also forms of verbal communication. The advantage of verbal communication is that you can pass on a lot of information in a short period of time.

As opposed to verbal communication, there is **nonverbal communication**. We all use nonverbal communication countless times each day. Nonverbal communication is communication in which you don't use words. Often people think that nonverbal communication is only about body language, but it is more than that. Posture, facial expressions, voice, eye contact, appearance and making gestures are all forms of nonverbal communication. Nonverbal communication can support a sales talk.

Nonverbal communication.

Nonverbal complements verbal
By using nonverbal communication you can reinforce your verbal communication. Both need to support each other. A sales pitch can be more convincing when you are enthusiastic and show an attitude of confidence. When you give a presentation it is important to maintain eye contact. With nonverbal communication you can often say more than with words.

You can send out the following signals with nonverbal communication:
- cooperation
- indifference
- insecurity
- suspicion
- nervousness
- dominance.

Examples of nonverbal communication and their meaning
- Upper body tilted forward: increased interest, impatient.
- Head up: confident, determined, ready to act.
- Legs closed while sitting: correct, formal, insecure.
- Legs crossed: confident.
- Getting closer: affection, attack, dominant behaviour.
- Arms crossed: defensive, closed, not comfortable, self-defence.
- Arms are hanging: passive, submissive.
- Hands on hips: purposeful, looking for stability, superiority, rigid, tenacious.
- Rubbing hands: presumptuous, enjoyment.
- Hand touches nose: fear, insecurity.
- Hands in pockets: shy, not interested.
- Smooth out clothes: indecisive, shy, pensive.
- Closed mouth: calm, determined.

Formal and informal communication

Informal communication within an organisation does not have fixed structures or procedures. It is spontaneous information (small talk in the hallway or at the coffee machine), an email or a social media post. Informal communication can lead to rumours. Everyone occasionally sends messages, aware or unaware, about their organisation. Everyone, at some point, voices their opinion.

Formal communication is communication that has been thought through and adjusted to the situation. An example is a press release or memorandum from management about changing the purchasing procedure.

Informal communication.

Two- or multiple-way and one-way communication

With **one-way communication** there is no interaction. A message is sent but the receiver does not respond or is not expected to respond. An example is a broadcast on television or an article in a newspaper. This might sound a little strange since communication is the exchange of information, but this exchange does not apply to one-way communication.

With **two-way communication** the receiver responds to the message of the sender. There is interaction. For example, a phone conversation with a customer or a discussion with your boss. When more senders and receivers are part of the communication at the same time we call it **multiple-way communication**. For example a conference call or an online meeting with various colleagues.

Direct and indirect communication

Direct communication is communication where the receiver can immediately respond to the sender. For example in a sales conversation. With **indirect communication** the receiver cannot instantly respond. Examples are a blog or an email message from an account or distributor.

1.5 GLOSSARY

AIDA model
Example of a roadmap for a sales conversation. The acronym stands for: Attention, Interest, Desire, Action.

Coding
Converting thoughts and feelings into a message. Also: encoding.

Communication
The exchange of information.

Decoding
Converting a message into a thought and meaning.

Direct communication
Communication whereby the receiver can immediately respond to the message of the sender.

Encoding
Converting thoughts and feelings into a message. Also: coding.

External communication
Communication from an organisation to the outside world.

External noise
Noise that exists because of outside interference.

Feedback
The reaction of the receiver to a message and the reaction of the sender to the receiver's feedback.

Formal communication
Communication send through the official communication channels of an organisation.

Group communication
Communication within a group.

Indirect communication
Communication whereby the receiver cannot immediately respond to the message of the sender.

Informal communication
Communication outside the official communication channels of an organisation.

Internal communication
Communication between people or departments within an organisation.

Internal noise
Noise that exists because of interferences in the internal communication process.

Interpersonal communication
Communication between two people.

Intrapersonal communication
Communication a person has with themselves.

Mass communication
Public communication, accessible to everyone.

Multiple-way communication
Communication between several senders and receivers at the same time.

Noise
Factors that disturb the communication process, as a result of which the message does not come across in the way the sender intended.

Nonverbal communication
Communication without words but with gestures, tone of voice, eyes and appearance.

One-to-one communication
Communication whereby the message is personalised for one receiver.

One-way communication
Communication whereby the receiver does not respond to the message of the sender.

Redundancy
Excess or repetitive information.

SMCR model
Classical model of the communication process. The acronym stands for Sender, Message, Channel and Receiver.

Two-way communication
Communication whereby the receiver responds to the message of the sender and vice versa.

Verbal communication
Communication using spoken or written words.

Word of mouth communication
Sharing personal information with each other, online and offline.