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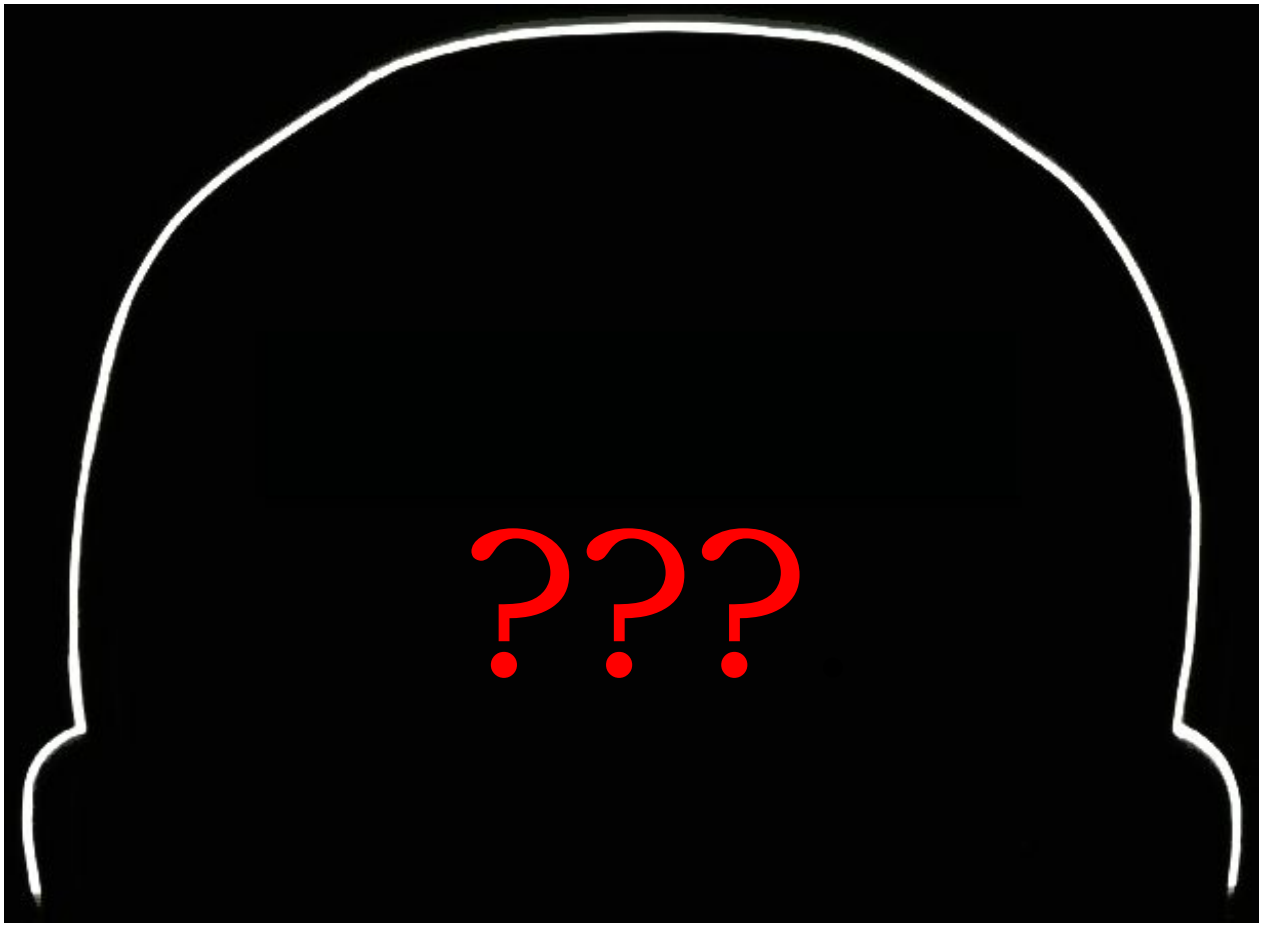
Sales & Distribution Management

By Deepak Bharara

LEVERAGING PEOPLE FOR TOMORROW...

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Sales & Distribution Management... What comes to your mind



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Sales & Sales Management



All of us want Success & Happiness

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Sales

- Sales is activity related to selling or the amount of goods & services sold in a given time period.
- Seller or provider of the goods & services completes a sale in response to an acquisition, requisition or direct interaction with the buyer at the point of sale
- Sales is everything that you do to close the sale & get a signed agreement/contract

Value Added Selling:

- Refer to Experience with others
- Support to Customer
- Respond Promptly
- Work jointly on Potential Improvements
- Show interest in Customer Future Goals & Operations

Sales

- Sales start with Seller & to satisfy his needs
- Emphasize on saleable surplus available
- Converting Product to Cash
- Goods producing process
- Customer as last link in the business

Marketing & Sales are very different, but have the same goal

Sales Can be Direct and/or Indirect – Personal Selling & Sales Management

Marketing & Sales Difference

- Marketing is the sum of all activities that takes you to a sales outlet. After that Sales takes over
- Marketing is about creating a pull, Sales is all about push
- Marketing is all about Managing 4P's or 4C's Product, Price, Place & Promotion in other words Customer Solutions, Customer Cost, Communication & Convenience
- Marketing to focus on what customer wants whereas Sales to focus at what company produce
- Marketing is outside in perspective Selling is an inside out perspective
- Marketing is a Process & Sales is a result of Market

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Buyer/Customer Expectation



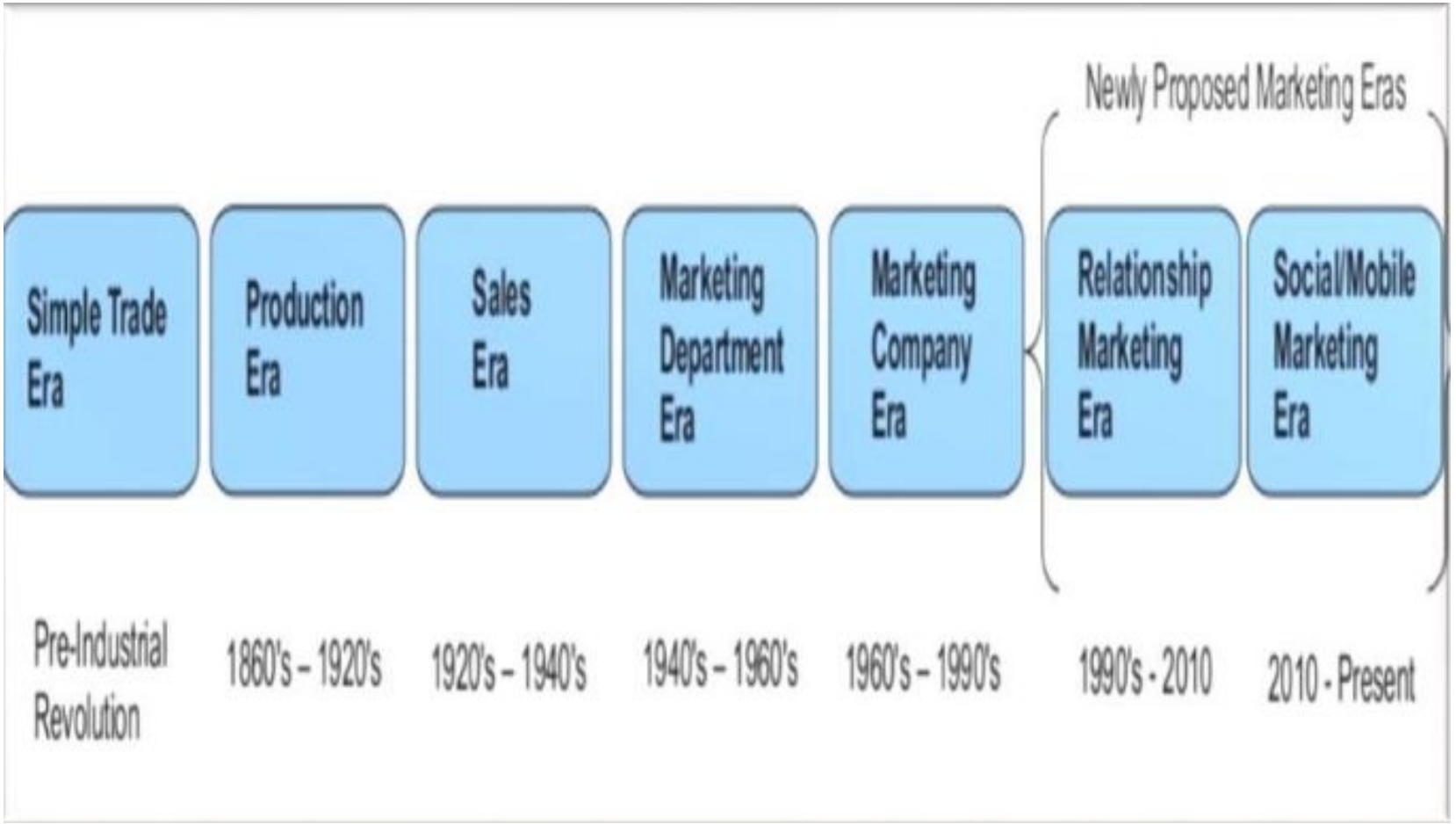
- Customer Expects Reliable/ Solid Information
- Customer Expects Options
- Customer Expect Single Source Service
- Customer Expect Superior Communication
- Customer Expect Consulting
- Customer Expect a Seamless Relationship

Objective of Sales Function

- To get the right talent
- To achieve Sales Targets
- To achieve market share targets
- To manage Dealer/Channel network
- To organize Sales Training
- To Recognize & Reward Performance
- To handle Customer Complaints
- To manage Sale Promotion Campaign
- To effectively cover market
- To provide leads & sales support
- To review & have sales Meet
- To allocate Scare Resources

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Evaluation of Sales Management…



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Sales Management

Sales management is attainment of organization's Sales Goals in an effective & efficient manner through planning, staffing, training, leading & controlling organizational resources. Revenue, Sales & Source of Funds fuel organization & the management of that process is the most important function



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Sales Management Process



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Steps in Selling Process

- Prospecting
- Call Preparation & Planning
- Initiating Contacts
- The Visit – Preliminaries
- Presentations
- Trial Close
- Listening to the objections
- Objection/Grievance Handling
- Negotiation
- Close the Deal
- Follow up, Account Management & Service

Sales Process.. Establish Relations - Need Recognition- Formulate Solutions – Close the sale- Deliver & Evaluate

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Sales Management Role…..

- Managing Sales Force
- Offer Sales Training
- Managing Channel Partners
- Managing Direct Sales
- Managing Sales Promotion
- Manage Sales Territories
- Manage Sales Targets

Objectives:

- Sales Volume
- Contribution to Profits
- Continuous Growth

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Sales Representative Tasks ....



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Emerging Trends in Sales Management

- Global Presence
- Customer & Orientation Profile
- Innovative Technology
- Better Customer Relationship Management
- Diversity among Sales Force
- Team Based Selling Approach
- Multi Channel Operations
- Ethical & Social Issues
- Professionalism within Sales Force
- Situation Analysis
- Identifying Opportunity
- Innovative & New Selling Methods

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Sales Forecasting

- Sales forecasting is the process of establishing what your business sales are going to be in the future

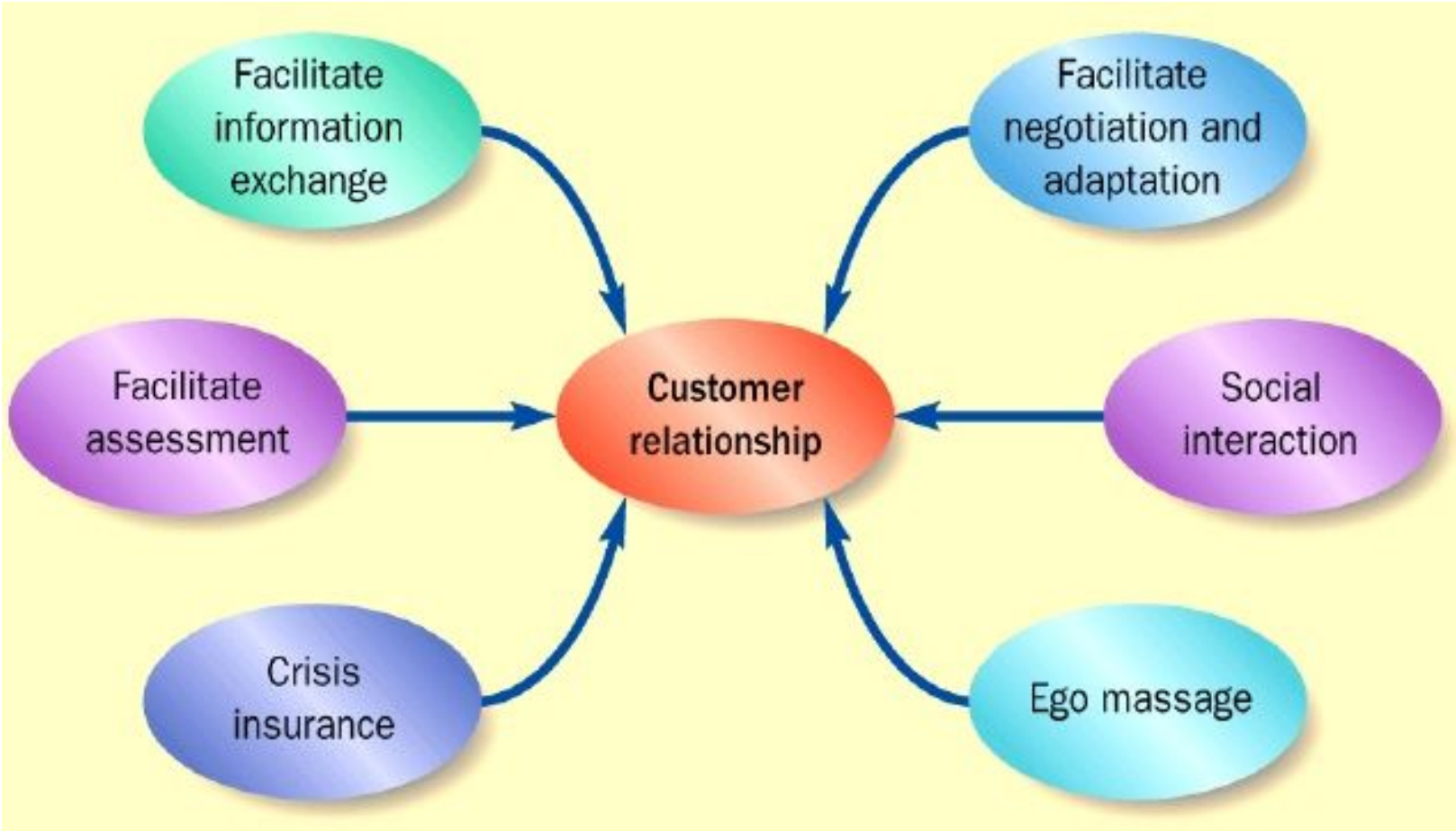
Methods:

- Jury of Executive opinion Methods
- The Sales force estimation methods
- Time Series Analysis methods

The Competitive Advantage

- The physical Product itself
- The Deal – Terms, Credit, Availability, Delivery, Installation, Ongoing Support & application ideas/use
- Listening to Customer Point of view
- Relationship & Personal Contact

Customer Relationships....



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Territory Design

- Territory Design focus on fairly distributing revenue potential to sales representative properly determine the most appropriate territory design criteria & matching territory workload to sales representative capacity

- Baseline Current performance
- Analyze existing customer spend
- Determine market potential
- Produce initial territories
- Re- balance territory assignments
- Create territory plans

Distribution Management

- Distribution Management involves activities such as Warehousing, Material handling, Packaging, Inventory, Stock Control, Order Processing, Supply Chain, Transportation & logistics

- Distribution Management means the efficient transfer of goods from the place where they are manufactured to the place where they are sold or used

Distribution Can be Intensive, Selective & Exclusive

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Benefits of Territory Design

- Optimized workload balance which enhances sales response
- Reduction in Travel time & expenses
- Lower sales force turnover due to high sales force morale
- Proper integration of acquired sales forces
- Built in adaptability due to market shifts and new product launches

Distribution Channel/Partners

- Most of Business use third parties or intermediaries to bring their product to the market
- The try to create a distribution channel which can be defined as “All the organization through which a product must pass between its point of production to consumption
- The third party is normally engaged due to efficiency of distribution cost as they are experts & specialist. Their core is distribution & sales. They have contacts, experience & can manage scale of operations

Challenge is to manage Channel Conflicts Horizontal as well Vertical conflicts apart from gray market issues

Channel/Partner functions

- Information
- Promotion
- Contacts
- Matching
- Negotiation
- Physical Distribution
- Financing
- Risk Taking
- Physical Distribution & Logistics

Sales channels can be Retailer, Wholesaler & Service firms, Direct Channel, Direct Sales, Internet & ecommerce

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Channel Design Role

Decision involving the development of new marketing channels either where none had previously existed or to the modification of existing channels

- Recognize the need for channel design decision
- Set & coordinate distribution objective
- Specify Distribution tasks
- Develop alternative channel structure
- Evaluable relevant variables
- Choose the best channel structure
- Select the Channel members

Channel Design Decisions

Multiple Forces affect selection Market, Product, Organization, Competition & Environment

- Analyzing Customer Needs – lot size, waiting & delivery time, Convenience, Product variety & Service Back up
- Establishing Channel Objectives – cost & profit
- Identifying major Channel Alternatives – Terms & Conditions/Responsibilities
- Evaluating major Channel Alternatives – Economics, Control, Adaptive Criteria

Look at track record of Partner, Motivation level of Team Members & evaluate Performance periodically

Types of Channel

- Consumer Channel – Chain of Business through which Goods & Services passes until it reaches end consumer
- Industrial Channel- Chain of Distribution through which Goods & Service passes until it reaches to another industry/Firm - B2B
- Service Channel – Chain of Distribution through which Goods & Services are Serviced – Market Service, Service Strategy, Restaurant Service

Supply Chain Management

SCM is management of network of interconnected Business involved in ultimate provision of product & service packages required by end customers.

SCM spans all movement & storage of raw material, work in process inventory & finished goods from point of origin to point of consumptions

Components of SCM

- Planning & Control
- Work Structure
- Organization Structure
- Product & Information flow facility structure
- Management Methods
- Power & leadership Structure
- Culture & attitude

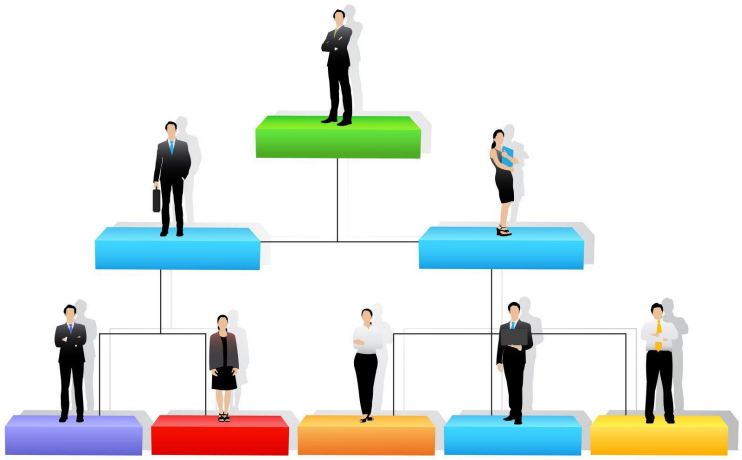
Reseller

Re Seller is a company or individual Merchant that purchases goods & services with the intention of selling them rather than consuming or using them.. This is usually done for profit (But could be re-sold at a loss)





Sales Organization



Types of Sales Force Structure:

- Product Based Sales Force Structure
- Geographic Based Sales Force Structure
- Customer Based Sales Force Structure
- Combination Based Sales Force Structure

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Qualities/Character of Effective SM

- Basic Sales Abilities such as Pleasing Personality & Mannerism, Extrovert Nature, Analytical Ability, Negotiation Skills
- Leadership & Supervision – Motivating, Training & Empowering, Delegating SF
- Planning & Conceptual Skill
- Self Direction & Self Control – Disciplined & live wire
- Organizing Abilities – Go getter
- Time Management

14 Steps in successful Partnership Program

- Define a Value Proposition
- Create Customer Centric Sales Process
- Benchmark Competitors
- Define type of Partners
- Define Success Factors
- Define Motivation Drivers & Elements – Primary/Secondary
- Define the programmatic Elements
- Define Responsibilities & Expectations
- Define a framework
- Build internal capabilities & systems
- Define how to measure success
- Develop a Marketing Strategy
- Create a Partner Selection strategy
- Build a Focused Partner Organization

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Let us get going ….



Ordinary people can deliver extraordinary performance

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Thank you!



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