

Evolution of sales management

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A decorative graphic consisting of several horizontal lines of varying lengths and colors (teal, white, and light blue) extending from the right side of the slide towards the center.

EVOLUTION OF SALES MANAGEMENT

The
Production
Concept Era

The Sales
Concept Era

The Marketing
Concept Era

The Societal
Marketing Era

The Customer
Relationship
Era

Pre-industrial Revolution period

- 1) It took place in Britain from 1750 onwards.
- 2) Pre-industrial period represented small scale manufacturing done with human hands.
- 3) Goods were produced on receipt of orders.
- 4) Families lived on small plots of land growing crops mostly for home consumption.
- 5) Pre-industrial society grew with “cottage industry”.

Pre Industrial Era

- 1) People were content and self-sufficient.
- 2) As time passed the concept of division of labor began to concentrate on production of goods.
- 3) Selling process started with ***search*** and ***negotiation***, probably at this time originated the ***practice of personal selling***.
- 4) The market took shape of ***trade fairs*** taking place only on certain week days.

Production Oriented Period

- 1) In the 18th century, the entrepreneurs acquired an unprecedented production capacity.
- 2) This resulted into increase in volume of production.
- 3) The consumers favored those products that were freely available with low cost.
- 4) They thought if best quality of goods were produced, customers would accept it and there would be no need for promotional efforts.

Production Era

- 1) There was no need for marketing efforts.
- 2) Large scale production became common.
- 3) It was assumed that customers would buy and support all types of products without any reservations.
- 4) Selling became difficult although personal selling had developed as an independent profession.

Sales Oriented Period

- 1) In most countries the timing of Great Depression started in 1929 and lasted until the late 1930s.
- 2) During this period purchasing power sharply declined resulting in fall in demand.
- 3) Along with promotional efforts it was found necessary to use high skilled salesmanship.
- 4) Companies having excessive production capacity or face keen market competition promote sales through sales promotion techniques such as price discounts gifts, attractive packing, etc.

Sales Era

- 1) Only with aggressive selling and promotional efforts will consumers increase their quantity of purchase.
- 2) Ordinarily customers show sales resistance.
- 3) Aggressive selling needs tactful handling because some customers may object to it.

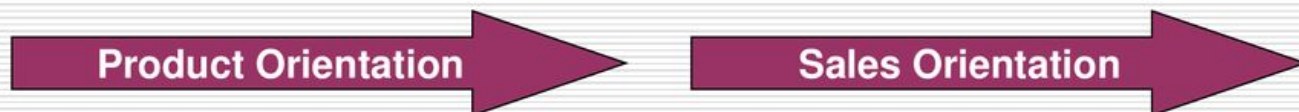
Customer Oriented Period

- 1) 20th century witnessed the fastest growth of superior technology.
- 2) The main challenge before the business was to sell the goods and not production of goods.
- 3) Talks revolved around creation of new customers, ascertainment of consumer demand, consumer satisfaction and treating consumers like kings.
- 4) The business must find out in advance the likes and dislikes of consumers.
- 5) Only by fulfilling these elements business can expect to give consumer satisfaction.
- 6) Consumer orientation brings balance into three considerations: *Company Profits, Consumers' want satisfaction and public interest*

Three Stages of Marketing Evolution in the United States.



Some industries & organizations remain at the product-orientation stage



Other industries & organizations have progressed only to the sales-orientation stage



Many industries & organizations have progressed to the market-orientation stage

Late 1800s

Early 1930s

Mid - 1950s

1990s



**THANK
YOU**