

Sales and Distribution Management
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Lecture – 35
Management of Sales Territories

[FL] Now, we will be moving on with our next lecture which is lecture 35, in our course on Sales and Distribution Management and we shall be continuing with the previous topic which is Management of Sales Territories.

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Now, the concepts which we have we have covered in this particular topic in the previous lecture are the meaning of a sales territory; rationale behind formation of sales territories; procedure for setting up or revising sales territories. Today, we shall be moving on further and we shall be discussing a little more on the procedure where we shall discuss the buildup and the break down methods which may be used for setting up or revising sales territories.

And then, we shall be discussing how do you manage sales territories or the management of sales territories and how do you assign sales persons own territories and then, we shall be finally discussing the routing and scheduling of sales personnel.

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Background

- A sales territory comprises both existing and potential customers, who are assigned to a salesperson
- A sales territory may or may not be linked to a geographic unit, and may or may not have geographic boundaries
 - The fundamental underlying the definition is that a sales territory is made up of customers, both current and prospective, rather than a geographical unit; the focal point is the customer, and not the geographical area
- Yet, most companies form sales territories and link it with a geographical unit

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So, let us begin with the brief background to the previous lecture, where we said that a sales territory comprises both existing and potential customers who are assigned to a salesperson or to a marketing unit. And we said that this marketing unit could be a salesperson, it could be a dealer, it could be a distributor and it may or may not be linked to a geographic unit and may or may not have geographic boundaries. The fundamental concept underlying the definition is that a sales territories made up of customers; be it actual customers or prospective customers and not the geographic unit.

The focal point is the customer, not the geographic area; yet most companies form sales territories and link it to a geographic unit. Of course, we also said that you know sometimes based on the size of the company, based on the kind of products, it is into the kind of customers you know that it is taking care of and the kind of you know abilities that the sales persons possess; sales territories may also be formed on other basis. But yet, in most cases most companies form sales territories and link it with a geographic unit and we discussed that when we set up sales territories, we start with selecting a basic control unit which is generally should be the smallest control unit with a smallest geography unit could be a state, could be a district, could be a city, could be a town.

We also said that way while these are all basic units, we should generally go for choosing the smallest unit. Because the calculating sales potential in the smallest of units is easier; it is easy to calculate. And also if any changes are required, any revisions are needed you

know while forming territories they can be easily adjusted. The second point we said that we need to determine the location and potential in each of the territories and then, third we said that we come up with a tentative territory design based on the buildup method and the break down method. And then finally, we make adjustments to the territories keeping in mind the you know the unique characteristics which territories may possess, keeping in mind the challenges and complexities which may differ from territory to territory and also keeping in mind you know the workload or the sales potential that exists in those different territories because the objective here is to ensure is to equalize workload is to equalize sales potential.

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Procedure for Setting up or Revising Sales Territories

Two basic methods are used for deciding on Sales Territories:

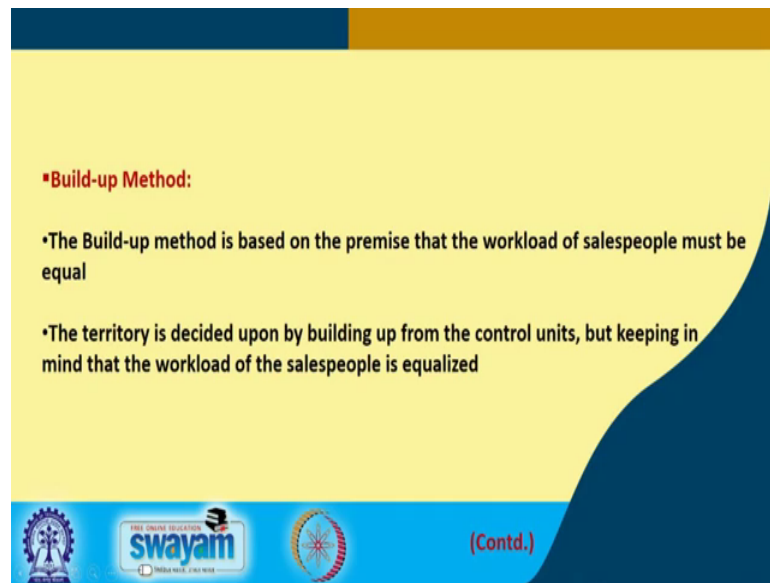
- Build-up Method
- Break-down Method

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So, why we were doing this? We mentioned in the previous lecture that when you setup a revised sales territories, you basically we use two methods which is the buildup method and the breakdown method. We will first talk a little bit more on the buildup method and then, we will come to the breakdown method.

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▪ **Build-up Method:**

- The Build-up method is based on the premise that the workload of salespeople must be equal
- The territory is decided upon by building up from the control units, but keeping in mind that the workload of the salespeople is equalized

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Now, we discussed earlier that when we talk of the build up method, it is based on the premise that the workload of sales persons must be equal. Sales people you know you know we have to formulate, you know and build up on the control units, but keep in mind that the workload of sales people is equalized.

We did discuss that you know sales persons you know always and always would want equitable distribution of workload and because if workload is not equitably distributed, it can lead to demotivation among sales force. And so, the buildup met is based on this premise that the world, that the workload that a salesperson has compared to another must be the same, they must have equal workload. So, how do you go about you know building a territory based on the buildup method?

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•The Build-up Method involves:

- deciding on call frequencies to be made (yearly)
- calculating the customer calls to be made in each control unit
- estimating the workload capacity of a salesperson: the workload capacity is calculated by multiplying the average number of calls a salesperson can make in a day by the total number of working days in a year: time required for each call varies from account to account
- fixing tentative territories: this involves grouping control units adjacent to each other such that the number of calls to be made in the control units in a year equals the number of calls that a salesperson can manage to make
- deciding on final territories: this step is required when it is realized that adjustments are required because the sales persons workload is not equal; this requires addition or removal of control units

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First and foremost you decide on the call frequencies which are to be made on yearly. So, what are the number of calls; total number of calls to you know which must be made on an annual basis. And then, you calculate the customer calls to be made in each control unit or here control unit could mean you know the town or the city or the district and then, you estimate the workload capacity of a salesperson.

Now, the workload capacity of a salesperson is calculated by multiplying the average number of calls the salesperson can make in a particular day by the total number of you know working days in a year. So, this would again this time required for each call again will vary from account to account; it would vary from customer to customer type; it would vary whether you that is the service selling order developmental selling.

Service selling means when you are actually selling to existing customers; developmental selling means when you are selling to you know to prospects who have not yet become your customers. Also based on whether you categorize them as a, b or c in terms of the sales and profit potentials. The amount of time that you will have to spend on each call will vary.

So, you know this is something which needs to be taken care of that while we decide on the call frequencies to be made and when we calculate the customer calls to be made in each control unit, we must also estimate the workload capacity of a salesperson and the workload capacity of salesperson would be multiplying the average number of calls that

he can make in a day by the total number of working days in a year. And, this would also mean that you have to calculate the amount of time that would be required you know to make calls. So, this would vary from account to account.

The next step is to fix tentative territories and this again, involves grouping control units you know adjacent to each other or neighboring each other such that the number of calls to be made in the control units in a year equals the number of calls that a salesperson can manage to make. Because we are talking about how many working hours does he have; how much of time does he need to spend on each call. And accordingly, you know you have to decide that the number of calls made in a control unit in a year should equal made in a control unit in a year should equal the number of calls that he can actually manage to make.

And then, after you fixed the tentative territories, you decide on the final territories you know and this especially this particular state becomes very relevant and very important when it is realized that adjustments are required because, the salespersons workload is not equal. So, this would mean addition or removal of control units, adjacent control units or neighboring control units so that the thus the workload for each of the sales person becomes equalized. So, this is the buildup method for deciding on sales territories.

You start with the call frequencies to be made yearly, you calculate the number of calls to be made in a control unit and you talk you estimate the workload capacity of the salesperson keeping in mind the average number of calls that he can make in a day by multiplying it with the number of working days he has. And then, again this would need an adjustment because the time required to make sales call to different categories would vary. And then, you fix the tentative territories and then, you decide on the final territories by grouping them.

Grouping adjacent you know control units so that you know even if you actually combining small control units, adjacent control units; so that the sales territory which and ultimately gets derived as an equal workload compared to the next or the other territories. So, this is the buildup method.

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Break-down Method:

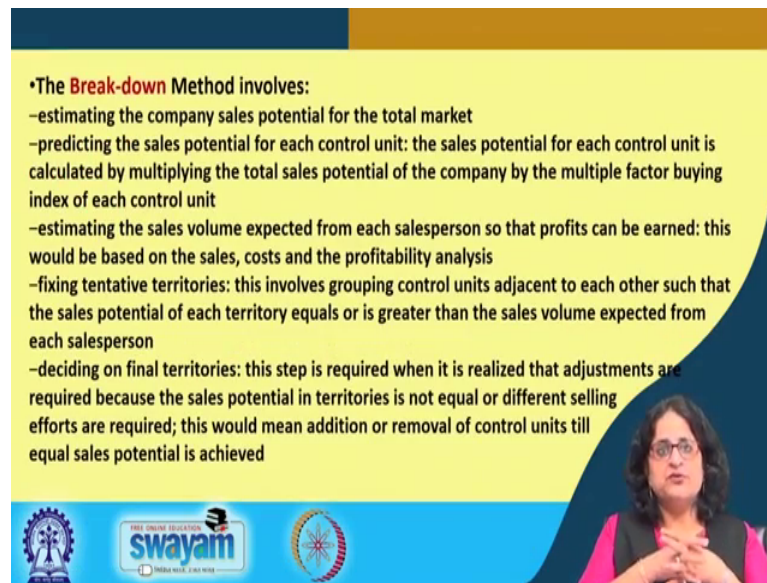
- The Break-down method is based on the premise that the sales potential of territories must be equal
- The territory is decided upon by building up from the control units, but keeping in mind that the sales potential of territories is equalized

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We have another method which we use to design on, to decide on the sales territories and this is the Break-down method. Now, this is based on the premise that the sales potential of territories must be a equal. Again, going back if you remember in the previous lecture, we had spoken that sales personnel also desired that they should have equal opportunities for earning sales which would mean that they must be you know some kind of equitability with respect to the sales potential of territories.

So, what is the majorly to be kept in mind here is the sales potential of territories is equalized; so that everyone has an equal opportunity to generate sales and to earn incentives and rewards.

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•The **Break-down** Method involves:

- estimating the company sales potential for the total market
- predicting the sales potential for each control unit: the sales potential for each control unit is calculated by multiplying the total sales potential of the company by the multiple factor buying index of each control unit
- estimating the sales volume expected from each salesperson so that profits can be earned: this would be based on the sales, costs and the profitability analysis
- fixing tentative territories: this involves grouping control units adjacent to each other such that the sales potential of each territory equals or is greater than the sales volume expected from each salesperson
- deciding on final territories: this step is required when it is realized that adjustments are required because the sales potential in territories is not equal or different selling efforts are required; this would mean addition or removal of control units till equal sales potential is achieved

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So, how do you go about deciding on sales territories based on the break-down method? First and foremost you decide the company's sales potential for the total market and then, you calculate the sales potential for each control unit. The sales potential for each control unit would be calculated by multiplying the total sales potential of the company by the multiple factor buying index of each control unit.

So, that will give us the sales potential for each control unit and then you must estimate the sales volume expected from each salesperson. So, that the profit, so the ultimately profits can be earned. So, this would be based on the sales, on the costs and the profitability analysis and thereafter you fix the tentative territories which would mean that you are grouping control units adjacent to each other or adjoining each other in such a way that the sales potential of each territory equals to or is greater than the sales volume expected from each salesperson.

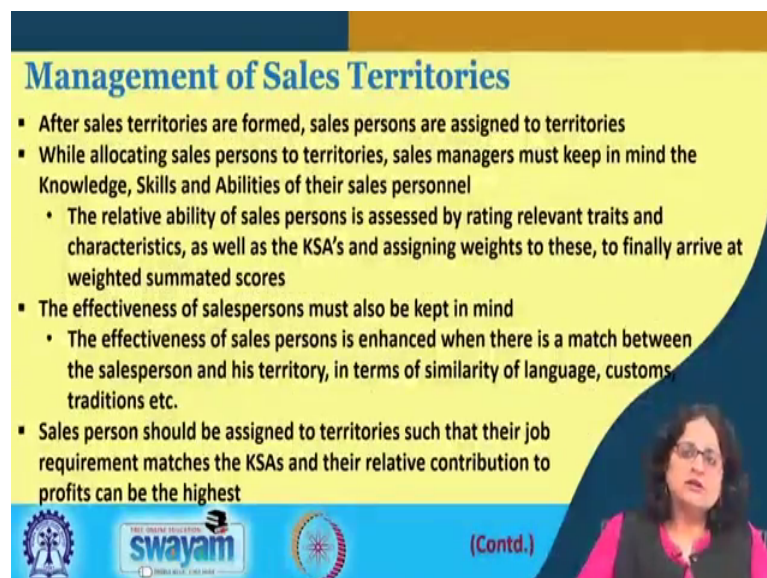
So, you do that to see that you know the efforts of the salesperson do not go in vain; he has opportunity to sell more and he can actually manage to sell more. So, you know you can group, you will group the control units adjacent to each other such that the sales potential of each territory equals to or is greater than the sales volume which can be generated by the salesperson and then, you decide on the final territories.

So, this again you may have to decide you need to decide on the final territory when you realize that the adjustments are required because the sales potential in each of the

territories is not equal or different selling efforts are required which would mean that; the salesperson has to spend more time and you know it would also sometimes happen that there is huge competition and so, the selling method and the selling style that is required is different.

So, you decide on the final territories keeping in mind the fact that there must be an equal sales potential and this would mean you know addition or removal of control units or adjacent you know areas till the equal sales potential is realized. So, that ultimately, the sales potential in the different territories is same or is equal.

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Management of Sales Territories

- After sales territories are formed, sales persons are assigned to territories
- While allocating sales persons to territories, sales managers must keep in mind the Knowledge, Skills and Abilities of their sales personnel
 - The relative ability of sales persons is assessed by rating relevant traits and characteristics, as well as the KSA's and assigning weights to these, to finally arrive at weighted summated scores
- The effectiveness of salespersons must also be kept in mind
 - The effectiveness of sales persons is enhanced when there is a match between the salesperson and his territory, in terms of similarity of language, customs traditions etc.
- Sales person should be assigned to territories such that their job requirement matches the KSAs and their relative contribution to profits can be the highest

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Now, after this what we come to is the Management of Sales Territories. Now, once sales territories have been defined, once they have been formed; the next step is to assign sales persons to those territories.

Now, while allotting you know a particular territory to a salesperson or while allocating such sales persons to their respective territories, sales managers must keep in mind the KSA's of their sales personnel. We have discussed earlier the knowledge skills and abilities how important they are, you know especially in the case of b to b dealings where it is very very important that the knowledge skills and abilities of sales persons match with the sales job role or with the sales job requirement.

Now, if you realize that there is a territory where the you know you know where there is huge competition and where the customers prefer you know changing you know their vendors very very often, in that case it will be very very crucial that you have you assign sales people, you have best sales force there. So, that the sales force can you know make follow up calls, explain technical details, continue to help the buyers with you know solving their problems and you know also I you know such salespeople who will be able to deal with problems of the buyers instantly, technically they should be very good to handle technical issues, technical you know problems so that the buyer gets an instant solution to his problems.

Now, in such a case it is it you know it is it would be very very wise to have the best of salesperson there, technically qualified with you know good interpersonal skills so that the existing customers or the existing clients can be instantaneously provided with support and they would understand they would feel good about the salesperson, about the company and would like to have continued business rather than switching over to the competitor. So, what I am trying to say here is that you have to understand the requirements with respect to the knowledge, skills, abilities of salesperson across territories and see which kind of salesperson would fit in which of the territories so that the there can be a good fit and the company can earn good sales.

So, the relative ability of salesperson must be assessed and this is assessed by identifying relevant or important traits and characteristics as well as the knowledge, skills and abilities and assigning weights to these and to finally, arrive at weighted submitted scores which would tell you about the relative ability of a salesperson and the best of the salesperson should be you know assigned to territories where there is huge potential, but also competition or where customers are extremely demanding or where you know it is realized that given you know the right kind of sales force, you will be able to earn new customers or generate new sales.

So, in those cases it is very important that you assign the best of the sales persons there. Also if there is a territory where you know there are prospects, which are very hot prospects or they are you know prospects who are medium prospects, again it would be better to assign the best of sales persons there to be dealing with those and to convert those into actual customers. So, the relative ability of the sales persons must be assessed

and accordingly, they must be assigned to the territories and keeping in mind the requirement of the territory.

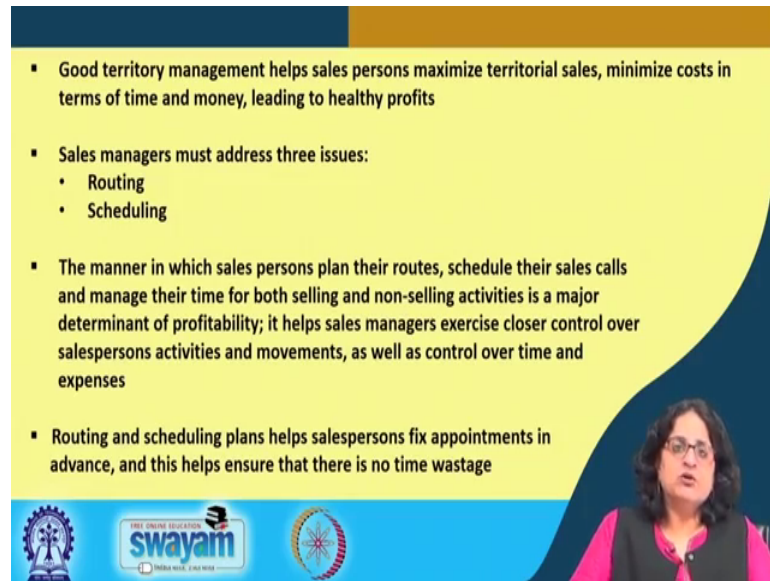
So, what we are talking of a fit between the KSA's of the salesperson and the job role as well as the characteristics of the and the requirements of the sales territories. Also its important that you know while you are assigning sales persons to territories, you also have to see the effectiveness of sales person. Some sales persons are well equipped and very good in handling certain kinds of customers, in handling certain kinds of you know selling situations while the others are good at others.

So, the effectiveness of sales persons must also be kept in mind and the effectiveness of sales person always gets enhanced when there is a match between the salesperson and his territory in terms of similarity of you know language, culture, customs, traditions. Research has shown that you know it is whenever there is some kind of socio cultural similarity between the salesperson and you know the prospects or the customers, then the probability of a sale happening and the probability of customer relationships developing is very very high.

So, while sales territories are formed, sales persons as assigned to territories and while allocating sales persons to territories, sales person say sales managers must keep in mind the knowledge, skills and abilities of their sales personnel and try to have a good fit between the KSA's and the job requirements and the territory characteristics. They must also look into the effectiveness of sales persons which often gets enhanced because of socio cultural similarities. Sales person should be assigned to territory such that their job requirements matches their KSA's and the relative contribution to the profits can be the highest.

So, these are certain things which sales managers must keep in mind, while they are assigning their sales force into the various sales territories. The best of sales person must be sent to territories where there are there is huge potential, where there is competition, where there is a lot of challenge or when there is a very loyal customer base which must be kept loyal, where there are lot of complex selling situations may arise. So, that the best of sales persons would be able to deal with them and so it is important that the relative ability of the sales persons is assessed and the effectiveness of the sales person is assessed before they are sent to the different territories.

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- Good territory management helps sales persons maximize territorial sales, minimize costs in terms of time and money, leading to healthy profits
- Sales managers must address three issues:
 - Routing
 - Scheduling
- The manner in which sales persons plan their routes, schedule their sales calls and manage their time for both selling and non-selling activities is a major determinant of profitability; it helps sales managers exercise closer control over salespersons activities and movements, as well as control over time and expenses
- Routing and scheduling plans helps salespersons fix appointments in advance, and this helps ensure that there is no time wastage

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Now, a good territory management helps sales persons maximize sales, minimize costs in terms of time, in terms of money and this would lead to healthy profits and so, sales managers need to address two very very important issues which is routing and scheduling which we shall be discussing shortly. The manner in which sales persons plan their routes or schedule their sales calls and the and the man way in the which they manage their time for both selling and non-selling activities is a major determinant of profitability.

The way sales persons would decide on their routing which is you know the travel plans or scheduling their sales calls which is more of time management and the way they manage their you know time for both selling and non-selling is something which will really have an impact on profitability of an organization.

So, routing, scheduling, time management etcetera also helps sales managers exercise closer control over the sales persons activities and movements as well as control over time and expenses and we will be discussing routing and scheduling, where we will see that you know when sales persons plan the routes and their schedules in advance; when they fix their appointments in advance, it also helps to ensure that there is no time wastage of any sort. So, that is how routing, scheduling and time management becomes very very important.

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Routing and Scheduling of Sales Personnel

Routing

- Routing refers to the travel plan of a salesperson who has to make call to various customers in his sales territory
 - Objective: optimization of cost
- The importance of routing as well as the kind of routes that companies adopt depends on the nature of product, market potential, competition, type of selling methods required etc.

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Now, with this brings us to the next topic which is Routing and Scheduling of Sales Personnel. So, what is routing? Now, routing refers to the travel plan of a salesperson who has to make calls to various customers in his sales territory. Now, the objective in routing is optimization; optimization of cost whether it is with respect to time or whether it is with respect to money. The importance of routing as well as the kind of routes that companies adopt, they will depend upon the nature of the product, it will depend upon the market potential, the competition the type of selling efforts required etcetera

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Benefits of Routing

- Routing helps salespersons perform their duties efficiently
- It helps reduction in travel time; salespersons can plan their calls in such a manner that they would be able to avoid problems of backtracking and criss-crossing
- Because it helps sales persons in reducing travel time, the salespersons can spend more time on selling and non-selling activities; this leads to effective and efficient coverage of the sales territories
- Routing also helps save on unnecessary travel cost and other selling expenses dues to backtracking and criss-crossing

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So, let us go a little more into why is routing important and what are the benefits of routing? Now, routing helps reduction in travel time. Sales persons can plan their sales calls in such a manner that they would be able to avoid problems of backtracking and criss-crossing. Now, what is backtracking? Let us take there is a salesperson, whose office is in Kolkata and he has to make calls all across, starting from Kolkata to Bhubaneswar.

So, there would be several towns and cities in between start with Kolkata. Then, comes Kharagpur, then comes you know Balasore and Bhadrak and then, there is Cuttack and then, there is Bhubaneswar. So, he would plan his calls in such a way that he starts with Kolkata and then, he moves to Kharagpur and Balasore and Bhadrak and then Cuttack and then Bhubaneswar. But, backtracking will happen when he moves from Kolkata to Kharagpur and then he goes to Cuttack and then, comes back to take care of Bhadrak. So, that is where he is going to spend more time travel and then, he goes till another station ahead comes back to Bhadrak; does his call and then again goes to Bhubaneswar via Cuttack.

So, what he is doing is he is actually moving straight line, then suddenly going back and then going back you know doing his work and then again returning to and again returning to Cuttack and then going to Bhubaneswar which would mean that instead of going you know taking a route which was a straight route from Calcutta to Kharagpur to you know Balasore and to Bhadrak and to Cuttack and to Bhubaneswar. He has actually gone from Kolkata to Kharagpur to Balasore to Cuttack and then, come back to Bhadrak, then gone back to Cuttack and then gone to Bhubaneswar.

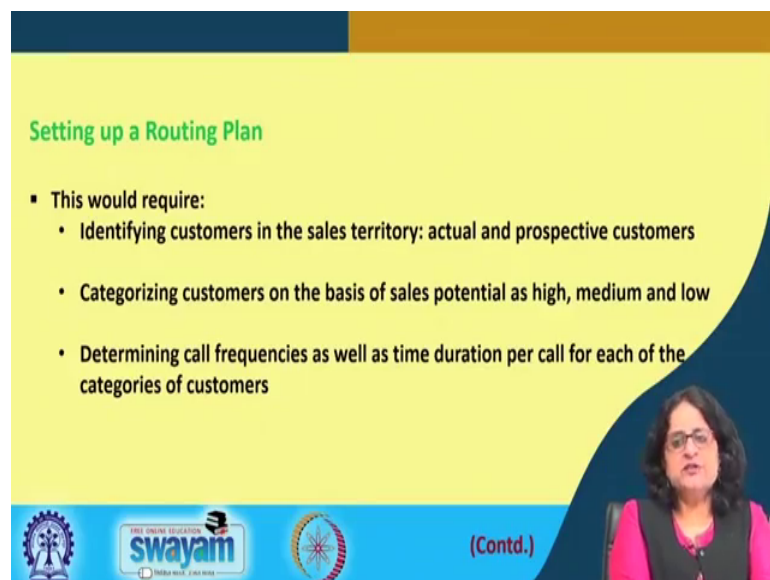
So, you see the kind of time he will be spending and the cost he would be incurring in travelling you know. So, that is where if you if plans are correct properly routed, sales calls are you know correctly scheduled, this kind of a backtracking would not happen. Criss-crossing is again similar, when you are moving up and down back and forth, trying to take care of customers actuals and perspective in the various territories which could actually have been managed well, if the sales call had been scheduled you know something in a more simpler fashion.

So, because routing helps sales persons in reducing travel time sales persons can also spend more time on selling and non-selling activities and this would lead to effective and

efficient coverage of the sales territories, it would save on unnecessary travel cost and other selling expenses which would have which generally happen because of backtracking and cross criss-crossing.

So, routing helps sales persons perform their duties effectively. It helps in reduction of travel time. Because it helps in reducing travel time, sales people can spend more time dealing with customers you know current customers, prospective customers. They can spend more time with their dealers. So, they can spend more time on selling and non-selling activities and routing also will help save on unnecessary travel cost and other selling expenses which would again mean that overall selling expenses would reduce and profit net profits would increase.

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Setting up a Routing Plan

- This would require:
 - Identifying customers in the sales territory: actual and prospective customers
 - Categorizing customers on the basis of sales potential as high, medium and low
 - Determining call frequencies as well as time duration per call for each of the categories of customers

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So, now how do you set up a routing plan? So, this would actually require identifying customers in a sales territory. Now, these customers would be both your actual customers or your current customers as well as your potential or your prospective customers and then, you categorize these customers on the basis of their sales potential as high, medium and low. Now, in case it is your current customers, you would classify them as a, b and c. In case their perspectives, you would classify them on the basis of their potential as and their prospects status as hot, warm and cold.

In any case you would be categorizing them you know on the basis of their sales potential, profit potential as high, medium and low and then, you determine the call

frequencies as well as the time duration spent on each of these categories of customers per call. So, when you set up a routing plan, the first thing that we do is we identify customers in the sales territory. Then, we categorize them on the basis of the sales potential as high, medium and low. And then, you determine the call frequencies as well as the time duration per call for each of the categories of customers.

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▪ Sales managers must route plans such that high potential customers are given a priority and can be effectively catered to

▪ Routing patterns may vary, and some commonly used patterns are:

Base (B) C C C C C C
Straight line / Hopscotch

Circular

Clover Leaf

Source: Havaladar, K.K. and Cavale V. M., Sales and Distribution Management: Text and cases, 3rd Edition, 2017, McGraw Hill Education (India) Private Limited.

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Now, sales managers must you know have a big responsibility here while their routing plans for the sales for the sales personal because they must ensure that high potential customers are given a priority and can be effectively catered to. As I just said while assigning salespersons, it is the sales managers should understand that the best of sales persons must actually be you know catering to those who are the most profitable prospects, who are the most profitable customers and who could be the best prospects in terms of you know giving business to the organization or to the company.

So, the sales managers must route plan such that high potential customers are given a priority. They must assign the sales persons in such a way that the best you know sales persons deal with most any highly potential customers and so that, so that you know the high potential customers can be effectively catered to and can give business to the company. So, sales it is the big responsibility on the part of the sales manager to route such plans you know that high potential customers are given a priority and can be effectively catered to.

Now, routing patterns may vary and some of the commonly used patterns are the Straight line or the Hopscotch; the Circular and the Clover leaf and you see here on straight line, there is a this salesperson whose base is B; B which is his base and he has these different you know customers in of these different cities or towns which he must deal with.

So, he can either go to the farthest point which is C1 which is and then move backwards to C2 C3 C4 and C5 which means that if the base is in Kolkata. He and he has to take care of territories and clients till Bhubaneswar. So, he first goes to Bhubaneswar straight away from Kolkata and then, he returns and while on his return, he stops at Cuttack and at Bhadrak and at Balasore and at Kharagpur and then he returns to his base.

So, that is what we refer to as the Hopscotch pattern and the other pattern is the straight line, where he would first go from the base to C5 which is Kharagpur and then, to C4 which would be you know Balasore and then C3 which would be Bhadrak and C2 which would be Cuttack and then, C1 which would be Bhubaneswar. So, these are two formats; you know starting with the farthest and then returning is the hopscotch and going one one by one you know in a particular direction from the home base to the next, to the next, to the next and would be the straight line.

Then, we have the circular pattern and then, we have the clover leaf and as far as the circular pattern is concerned and the clover leaf is concerned, they are again little complex in nature and we will be discussing this the source of this particular figure is Havaladar and Cavale, Sales and Distribution Management, 3rd Edition, 2017, McGraw Hill.

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▪ **Straight line route pattern:**

- The salesperson starts from his base and moves in one direction in a line, making sales calls to customers one by one
- Another format of this is the hopscotch pattern, wherein the salesperson begins his call at the farthest end, and moves backwards towards his base, calling on customers one by one on his way back

▪ **Circular route pattern:**

- As the name goes, the salesperson moves in a circle; he starts from his base and moves in a circle, making sales calls to customers one by one, and ending it at his base

▪ **Cloverleaf pattern:**

- The routing pattern resembles a clover leaf, hence the name
- The first route of the sales person covers only a part of the sales territory; the next route covers the neighboring circle; and the next another, and so on till the whole sales territory gets covered

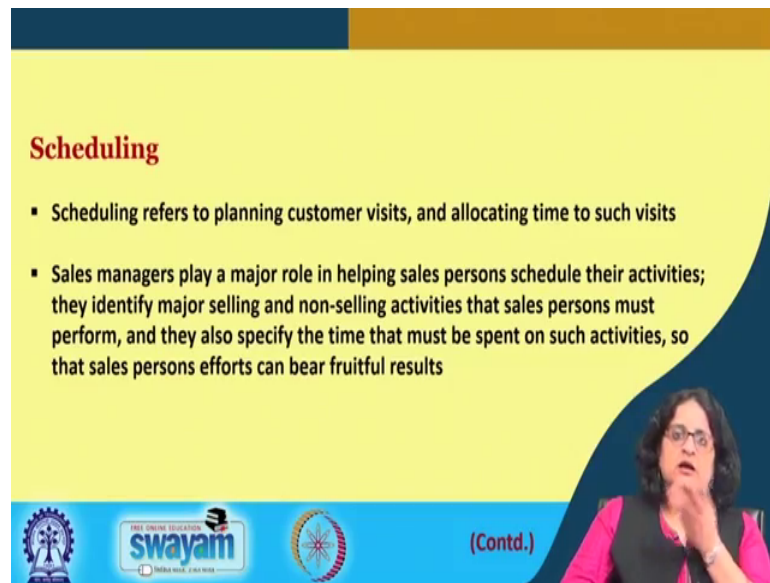
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Now, coming to the circular pattern as the name goes the person moves in a circle, he starts with the home base and he makes calls around and around and around and then, he moves round and then and reaches the point from where he started and then he reports to his home base. And then, we have the cloverleaf where again he starts from the base and then, complete in a circular fashion.

So, in the circular pattern the salesperson moves in a circle. He starts from his base and moves in a circle making calls to customers one by one and ending it at the base. But in the clover leaf, the first route of the salesperson would cover only a part of the sales territory; the next covers the neighboring circle or the neighboring wedge and the next so that then all the other sales territories get covered.

So, what is happening is that the routing pattern resembles the clover leaf and hence the name a clover leaf pattern, where the first route of the sales person covers only a part of the sales territory; the next covers the neighboring circle and the next another and so on till the whole sales territory can get covered.

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Scheduling

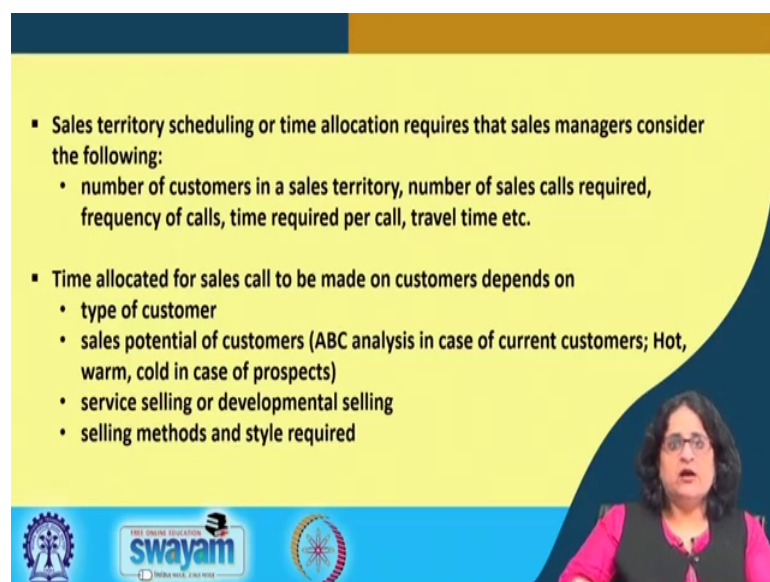
- Scheduling refers to planning customer visits, and allocating time to such visits
- Sales managers play a major role in helping sales persons schedule their activities; they identify major selling and non-selling activities that sales persons must perform, and they also specify the time that must be spent on such activities, so that sales persons efforts can bear fruitful results

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Next is Scheduling. A scheduling refers to planning customer visits, and allocating time to such visits. Sales managers play a major role in helping salesperson schedule their activities. They identify major selling and non-selling activities that sales persons must perform. They also specify the time that the salespeople must spend on these activities and so, so that the sales persons efforts can bear fruitful results.

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- Sales territory scheduling or time allocation requires that sales managers consider the following:
 - number of customers in a sales territory, number of sales calls required, frequency of calls, time required per call, travel time etc.
- Time allocated for sales call to be made on customers depends on
 - type of customer
 - sales potential of customers (ABC analysis in case of current customers; Hot, warm, cold in case of prospects)
 - service selling or developmental selling
 - selling methods and style required

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Now, territory scheduling or time allocation requires the sales managers consider the following. The number of customers in the territory; the number of sales calls require;

the frequency of the calls; the time or the duration spent on each call; time required unit for travel etcetera.

So, the time allocated for sales call to be made on customers all depends upon the type of the customer, the sales potential of the customer. ABC in the case of current customers: hot, warm and cold in the case of prospects. And the service whether it is service selling or whether it is developmental selling and the selling methods and the selling style required.

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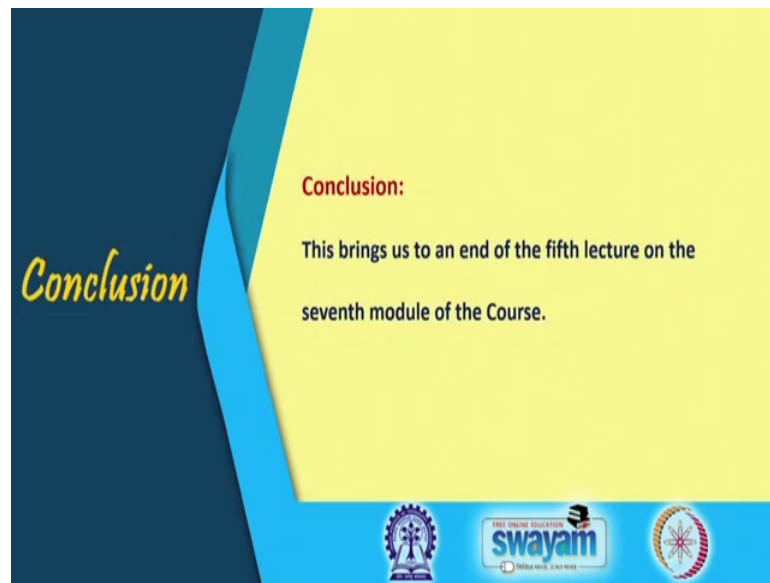
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So, with this, we come to an end of this particular lecture. These are the references.

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And this brings us to an end of the 5th lecture on the 7th module of the course. I hope you found this lecture beneficial.

Thank you.