

Sales and Distribution Management
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Lecture – 08
Strategic Planning, Sales Objectives, Strategies and Tactics

[FL] Today, we will be continuing with our second module. We will be doing the third lecture of the second module and this is lecture 8, where we will be talking about Strategic Planning, Sales Objectives, Strategies and Tactics. This particular lecture we will talk about, how planning is done? How various objectives are chosen out keeping in mind the broad planning? And, what are the various strategies and tactics that are employed to actually achieve the various objectives.

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So, the various topics which we will be covering would be strategic planning, sales strategies. The basics of sales objectives sales strategies and tactics and then we shall also be discussing the relationship between sales objectives, sales strategies, and tactics.

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Strategic Planning

- Planning can be defined as:
 - what to do?
 - how to do?
 - when to do?
- Strategic planning can be defined as an organizational process which helps to define an organization's long-term objectives and subsequent strategies
- Senior managers are responsible for the formulation and execution of the strategic plan of an organization

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Now, let us first start with strategic planning. What is planning? Now, planning is something which we you know do when we need to decide on a future course of action. So, what to do? How to do? When to do? These are all certain questions which we ponder on when we do any kind of a planning exercise.

Planning is absolutely essential because until unless you plan we will not be able to attain our objectives. Strategic planning is defined as an organizational process, which helps the company decide on it is long term objectives and the subsequent strategies. So, we talk about a strategic planning as something which is undertaken as an exercise by the senior management to decide on the long term objectives of the organization. And to decide on the various strategies that must be employed to attain the long term objectives.

Senior managers are responsible for the formulation and the execution of the strategic plans of an organization. And, these strategic plans then get broken down into different functional areas be it marketing, be it operations, be it R and D finance, HR and so, forth. So, until unless we start with strategic planning we cannot move ahead, it will tell us or it will give us a direction into which the course of you know future path for the organization the course of actions to be taken or employed to be able to achieve the organizational objectives.

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Strategic Planning

- Planning in large organizations is usually done at three or four organizational levels, and hence plans are as follows:
 - the corporate strategic plan
 - the divisional and/or business units strategic plans
 - product functional plans

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Now, planning in large organizations is done at 3 or 4 organizational levels, we have the corporate strategic plan. We also have the divisional plans if the organization is small or medium, we may stop I mean if it is medium not small, but if it is medium, we may stop at the divisional level. But if it is a large organization which is spread across geography across and these with different kinds of products or treat these were different kinds of customer segments. In those case we also and has many different strategic business units. In, those case we also have a business unit strategic plans and then of course, we have product functional plans.

So, in cases where the organization is medium sized, we have the corporate plan and we have the divisional plans and the product functional plans, but in case the organizations are very large, then we have a corporate strategic plan which is the umbrella. And, under the umbrella we have the different divisional plans, we have the different strategic business unit plans, and we also have the product functional plans.

Of course, in small organizations planning is done you know by everybody by a and it is also those plans are executed implemented by everybody in the organization.

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Corporate Strategic Planning

- Corporate Strategic Planning is usually developed at the headquarters of a company, and the objective is to guide the entire organization
- Steps followed in the corporate strategic planning process are as follows:
 - (i) Defining the mission and objectives of the organization
 - (ii) Defining the various strategic business units (SBUs) of the organization
 - (iii) Assigning resources amongst different SBUs
 - (iv) Developing strategies to fill the strategic planning gap.

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Now, let us first talk about corporate strategic planning. The corporate strategic planning is undertaken and the exercises undertaken at the headquarters of the company. And, the objective of the corporate strategic plan is to guide the entire organization. It lays down the broad goals that are to be achieved in the long term. And, all the various divisions all the various business units of the organization work under this strategic plan, which has been set up by the corporate headquarters. So, what are the steps followed in the corporate strategic plan? One is to define the mission and objectives of the organization, what is the long term vision that the company has, what is the mission statement and then what are the objectives of the organization?

Thereafter, it tells defining the different strategic business units over the SBUs. Now, SBUs are independent units in their own they have their own you know functioning well within the you know well within what has been prescribed by the corporate plan. So, these various strategic business units of the organization are defined.

Thereafter, keeping in mind the growth rate, keeping in mind the market attractiveness, keeping in mind are the macro and micro environmental factors, keeping in mind the strengths and weaknesses and opportunities and threats, resources are allotted amongst different strategic business units. And, then the various strategies are formulated to fill in the strategic planning plan strategic planning gap.

So, we first start with defining the vision and the mission we define the broad objectives. Thereafter, we define the various strategic business units of the organization or the company. Thereafter, we assign resources amongst the different business units. And, once the resources have been assigned on to different business units, we develop strategies to fill in the planning strategic planning gap. So, this is what we do at the corporate strategic planning level.

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Business Unit (or SBU) Strategic Planning:

- Business unit strategic planning is usually developed by head of the unit by defining the long-term mission of the company, as well as objectives, goals, and strategies

Steps followed in business unit strategic planning are as follows:

1. Defining the mission of the business units
2. Examining the organization's internal and external environment (SWOT analysis)
3. Defining long-term objectives and prepare strategies to achieve those objectives
4. Preparing subsequent action plans from the strategies
5. Implementing the strategies through action plans
6. Monitoring results and subsequently go for corrective measures

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The next is the SBU level a strategic planning, where planning is done by the business unit by different business units generally by the head of the unit. Who defines the long term who defines the long term mission of the company, as well as the objectives the goals, strategies. So, the broad the strategic plan the corporate strategic plan has already been laid down by the corporate headquarters.

Thereafter it is left upon the strategic business units to do their own planning. This planning exercise is undertaken by the top management of the SBU. Generally by the head of the unit, and he defines the long term mission of the company as well as the objectives the goals and the various strategies.

What are the different steps which are followed in the strategic business unit level planning or SBU strategic planning, are first to define the mission of the business unit. What is the mission of the business unit? Of course, this will be very much in line with the vision that the company has or the organization has second to examine the company's

internal external environment. So, here the job is to go in for SWOT analysis. We have discussed earlier the micro and the macro environment.

The micro environment comprising forces which are controllable, which can be controlled by the company and those factors which affect the governance of the company directly these also give the company its strengths and weaknesses.

Thereafter, we also have you know to study the external environment, or the macro environment, forces of which affect the functioning indirectly and these forces provide to the company opportunities and threats. So, after the SBU has level have defined their mission, they then have to move on to discuss to study the external and the internal environment facing a company. And, they must identify the various strengths opportunities weaknesses and threats, you know which you know the organization faces the various strengths weaknesses opportunities threats. So, that appropriate strategies can be formulated appropriate course of action can be taken. So, that the company can take advantages of the opportunities it can fight the threats.

The third step here is to define the long term objectives and to prepare strategies to achieve those objectives. So, then what the company next has to do is to define the long term objectives of the SBU. And, prepare strategies to achieve these objectives. Again the long term objectives will be very well laid down in keeping in line the corporate objectives.

Thereafter, the business unit head one has to decide on the action plans, he has to actually prepare the sub action plans well under keeping in mind the strategies. And, then he has to implement the strategies through these action plans. Finally, what he has to do is to monitor the results monitor the performance and go in for corrective measures if required. So, these are different steps that must be followed in business unit strategic planning level.

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Product /Operational Planning

- Product/Operational planning is done within a particular business unit for each product

Various aspects of product/operational planning:

- Done at the lower levels in the organization
- It relates to routine tasks such as procurement of material, production, transportation of goods, sales etc.
- Different kinds of functional plans such as marketing, production, human resource, and finance are developed by functional managers to execute the routine tasks

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The third comes the product or the operational planning now in organizations which are medium sized there is no need for an exercise where the SBU when the division level planning is done separately there it is done together. So, we straightaway move to product and operational planning.

Now, product and operational planning is done keeping in mind the particular business unit for each product. And, the various aspects of product or operation planning are as follows one, it is done at lower levels of the organization and it relates to routine task it relates to things like; raw material procurement, production and operations, transportation of the goods the sale of the goods, all of this pertains typically to the business unit for a particular product.

And, different kinds of functional plans such as marketing production HR and finance are you know taken care of by functional managers to execute the routine tasks. So, this planning of product or operational planning is basically done you know for a particular business unit, which deals with a particular product only. So, this is how we go about into product and operational planning.

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Role of Marketing in Organizational Planning

Role of marketing at corporate level:

- Provide information about potential customers as well as market competition
- To support customer orientation and protect their interests

Role of marketing at SBU level:

- Prepare long-term business strategies by analyzing information about customer and market competition
- Decision on segmentation, targeting, and positioning

Role of marketing at Functional level:
Implementation of various marketing plans which include the marketing-mix strategy and the sales strategy

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Now, let us see the role of marketing in organizational planning. So, when we talk of the corporate level, it is providing information about potential customers as well as you know market competition also to support customer orientation and protect their interest. So, it is very important that the customer is given importance all the time as we have seen earlier.

And, at the corporate level it is essential that the sales and marketing team provides information about potential customers, as well as about the competition that exists. Also supports custom gives a focus or lays a focus on customer orientation to protect their interests always. It at the SBU level it is to prepare long term business strategies by analyzing the information, about customers, about the market competition. And, also take decisions with respect to the segmentation targeting and positioning. So, it is more to do with you know the STP exercise by analyzing information about customers and about market competition.

And, at the functional level it is implementation of various marketing plans which will include the 4 P S and the sales strategy. So, if he is look at the SBU level it is more of the strategic plan, the marketing strategic plan, and that is given importance and at the function level it becomes more of the marketing tactical plans that are given more important. So, the SBU level we would be talking about the strategic part and strategic role. And, we will also speak about the strategic plans at the SBU which are discussed at

the SBU level, but at the function level it is more to do with the marketing tactical plans or the forth marketing mixed plans which are taken into account.

So, while the SBU will take care of the segmentation targeting and positioning giving a customer orientation and a value proposition the functional level would take care of how to design the 4 P S or how to design the marketing mix, how to go in for tactical planning? So, that the various tasks can be accomplished and the marketer it is the company could actually benefit.

So, now let us move now to the sales strategy which actually is a very strategic decision sales strategies are developed for individual customers or clients.

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Sales Strategy: a Strategic Decision

- Sales strategies are developed for individual customers or clients (accounts)
- The strategic decisions are formulated by categorizing individual customers into similar clusters

A sales strategy comprises the following:

- (i) classification of accounts
- (ii) relationship strategy
- (iii) selling methods
- (iv) channel strategy

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Now, this sales strategy the marketing strategy is very broad, and as we said takes into account the strategic part takes into account tactical part. Strategic with the STP and value proposition tactical with the 4 P S, but the sales strategy here typically pertains to an individual customer or to a client. And, we will term these as account. So, it deals with an particular account a client is actually regarded as an account. And, the strategic decisions are formulated by categorizing many of these individual accounts or individual customers into similar clusters.

So, while every customer is treated as a separate entity as a separate account especially in the case of B to B many of these may often be clustered, or categorized, into similar

clusters. Now, a sales strategy comprises the following; one it is classifying the accounts or classification of accounts, 2 the relationship strategy to be followed, 3 the selling methods to be followed, and 4 the channel strategy.

So, let us first talk about the classification of accounts.

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Sales Strategy: a Strategic Decision
Classification of Accounts:

1. The objective is to identify particular market segments and subsequently classify an individual customer or an account within that target market segment
2. Once the target market segment is identified, the customers within the target market segment are classified into high, medium, low sales and profit potentials
3. Further, a sales strategy is developed for an individual account

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Now, it is very important for any marketer to classify his accounts based on the sales and profit potentials. So, that he can accordingly you know deal with these customers, he can make his presentations accordingly, he can give after sales accordingly, he would also be you know this sales manager would be able to delicate the sales persons or the sales people accordingly to cater to each of these categories, based on the profit sales and profit potentials.

So, based on the different sales and profit potentials that the individual accounts hold or you know take or maybe you know outsource it to brokers or to other agents, to it would also give salespeople an insight into the kind of importance that they have to pay, to these different clusters or to these different individual clients based on their sales and profit potential. So, the sales presentation that must be made the whether the manner in which the customer has to be dealt with both during sale and post-sale all of these you know would be determined you know much easier it would be for the sales team and for the sales manager to determine, if the accounts are actually classified and categorized, based on their sales and profit potentials.

So, the objective here is to identify the market segment and subsequently classify an individual customer on an account within the target market segment into high medium or low sales and profit potentials. So, once the target market is defined the customers within the target market would be classified into high sales and profit potentials medium sales and profit potentials, and low sales and profit potentials. And, accordingly a sales strategy would be developed for each of the individual accounts.

As we said earlier those who are into the high sales and profit potential category may be treated as one cluster, those who are in the medium sales and you know profit potential may be treated as another cluster. And, those who are low on sales and profit potentials may be treated as another cluster accordingly the sales strategy may be formulated ok.

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Sales Strategy: a Strategic Decision

Relationship Strategy:

- In B2B markets, buyers and sellers forge relationships, and these could range from transactional relationships to collaborative relationships
- The type of relationship whether transactional, value-added, or collaborative relationship depends on both the sellers and the buyers
- The selling firm decides as to which of the target segments and individual account can be considered for a collaborative relationship

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The second thing that comes into play is the relationship strategy. Now, in B 2 B scenarios typically buyers and sellers forge relationships; and, these relationships as we have discussed earlier could range from transactional relationships to you know collaborative relationships. So, the type of relationship whether it would be transactional or value added or collaborative depends upon both the buyer and the seller. And, the company here decides as to which of the target segment and which of the individual account can be considered for a collaborative relationship, or can be considered for should be considered only for a transactional relationship, or should be considered for a value added relationship.

So, this relationship building between the buyer and seller would be based on the needs and requirements of both the buyer and the seller. And, could be it could lie anywhere on a continuum from transactional to value added to collaborative. So, what is transactional, what is value added, or what is collaborative? Let us discuss this now.

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Sales Strategy: a Strategic Decision

Transactional relationship

- customers exhibit less loyalty to a particular supplier
- customers switch suppliers for lower costs

Value-added relationship

- customers with medium sales and profit potential
- sales people provide emphasis to understand present and future problems or needs of the customers

Collaborative relationship

- long-term and mutually satisfying relations
- joint problem solving and consolidation of business processes of the two organizations

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Now, as we have briefly mentioned in another presentation earlier the transactional relationship is where a buyer contacts a seller buys a particular product. And then does not go back to him neither does the seller expect him to come or even if he does he does not make any efforts to bring the buyer back. So, customers switch from suppliers or from buyers may often, because of low prices and they exhibit very little loyalty to the particular supplier.

So, typically we see especially in the B2B scenario, they would it would be typically a price driven decision and once a product is bought the client or the customer may not go back to the supplier of the vendor again. And, neither would the vendor or the supplier make any effort to bring him back. So, this is what we call as a transactional relationship.

In the case of a value added relationship these are customers with medium sales and profit potentials and they are of some value to the supplier or to the seller. So, sales people provide emphasis to understand the present and the future needs of these customers and they try to help them out. So, the relationship here is referred to as a value added relationship. It is noteworthy to mention here that in most cases transactional

relationship, you know customers are or those who prefer a transactional relationship. In generally are cases where you know they are low sales and profit potential customers that and that is one of the reasons, why the seller or the why the supplier also does not go out of the way to bring them back or into their own fold.

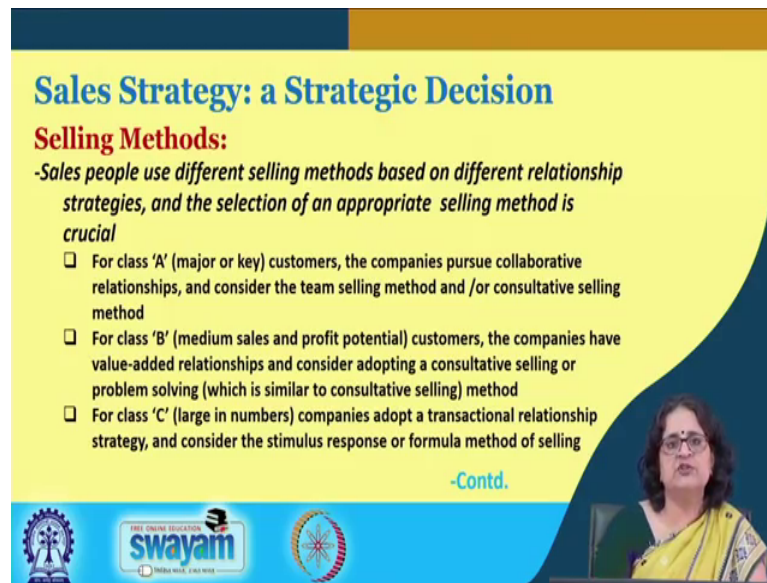
However, in the case of value added, because these customers, or because this cluster comprises those who have a medium sales and profit potential and they could be valuable in the future; so, sales people provide emphasis on meeting their current needs as well as try to and says their future needs. And that they can satisfy them better and they can retain these people.

The third is the strongest relationship where we have collaborative relationships and partnerships. These are long term mutually satisfying relationships generally a marketer or a supplier would be interested to have this kind of relationship with those customers or the cluster of custom customers who are actually high on sales and profit potential. So, the both parties desire long term relationships the buyer or the client desires a long term relationship, because he does not have to deal with or you know many of the suppliers or many you know sellers and he does not have to change them too frequently.

He would he so, his switching costs are also low his operational costs are also low. And so, he prefers this kind of a relationship on the other hand the seller or the supplier also likes this kind of a relationship, because one it is long term 2 instead of having many fish small fishes he has to he has few big ones who are you know bigger sales and bigger sales and profit potentials. So, he also prefers having such big customers or big such big clients.

So, it is a joint problem solving and consolidation of business processes of the 2 organizations often leading 2 partnerships and these partnerships are clear you know long term partnership. So, clear cut you know terms and conditions are laid out and agreements are signed and both collaborate with each other to for such long term relationships.

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Sales Strategy: a Strategic Decision

Selling Methods:

-Sales people use different selling methods based on different relationship strategies, and the selection of an appropriate selling method is crucial

- For class 'A' (major or key) customers, the companies pursue collaborative relationships, and consider the team selling method and /or consultative selling method
- For class 'B' (medium sales and profit potential) customers, the companies have value-added relationships and consider adopting a consultative selling or problem solving (which is similar to consultative selling) method
- For class 'C' (large in numbers) companies adopt a transactional relationship strategy, and consider the stimulus response or formula method of selling

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Third is with respect to selling methods. So, the selling method is a third element in the sales strategy. Sales people use different kinds of selling methods depending upon you know the kind of customer, whether he has high medium or low sales and profit potentials. Also, you know this decision would with the kind of selling methods they use will also depend upon the relationship style or the relationship strategy which the both the party is desire. So, sales people use different selling methods based on the sales and profit potentials of the customers as well as the different relationship strategies, and the selection of a appropriate strategy or selling method is very important.

For class 'A' which is the customers who have high sales and profit potentials. And, who are major customers, who are key customers, the companies generally pursue a collaborative relationship. And, in such cases you know companies consider team selling method or consultative selling method as the most valuable.

Now, what is a team selling method as we discussed in the previous slide that both parties join hands and want to maintain this relationship for long and both this understand the future needs of each other. So, keeping this in mind the selling method that is followed is very cross functional it is very multidisciplinary, where both the parties decide to handhold each other and work together one. And, also the sales team is cross functional multi disciplinary, where they have people from different departments

who take part in the selling sales presentations, who take place to take part in the selling process.

So, it is both the buyer and the seller getting into long term relationships joining hands, understanding each other's needs, understanding each other's constraints, and thereafter the sales um method selling method it comprised you know is such which involves both technical non-technical personnel, it is a team selling approach a consultative selling method. So, that both the come the customer as well as the company can benefit in this through this long term relationship.

On the other hand for the class 'B' type of customers which is which have medium sales and profit potential companies have value added relationships and consider adopting a consultative style ok. So, pure based on participation with each other consultation with each other a solutions are reached, but in class 'C' customers who are the large a big base of customers with smaller ones, and they have low sales and profit potential companies adopt a transactional method and they consider a stimulus response method or a formula based method of selling. We will be talking about the stimulus response and the formula method of selling in the subsequent lectures.

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Sales Strategy: a Strategic Decision

Channel Strategy:
Selecting an appropriate channel (marketing channel, distribution channel, or trade channel) is a strategic issue in the sales strategy and it is also called as sales channel

The various sales channels for covering selling efforts are as follows:

- (i) company sales force, manufacturer's representatives
- (ii) dealers and distributors
- (iv) independent representatives, brokers, agents
- (iv) telemarketing
- (v) internet

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Finally, there is this channel strategy this is the fourth element of the sales strategy, where the job is to select an appropriate channel, marketing channel, or distribution channel, or trade channel as the word maybe use synonymously and it is a strategic issue

in the sales strategy it is also called the sales channel. So, selecting an appropriate channel which is the marketing channel, or the distribution channel, or the trade channel is the strategic issue in the sales strategy and it is also called a sales channel.

Now, there can be different kinds of sales channel for covering different selling efforts the company could have it is own sales force, it is own representatives, it could have dealers and distributors, it could have independent representatives like brokers and commission agents, it could have you know going for telemarketing, it could you know sell online or through the internet. And, today what is did the day and age whether it is B 2 B or B 2 C is of hybrid channels, where now different channels or number of channels are used by both the buyers and the sellers to enter into transactions.

So, there are cases where people first you know check things online and then purchase things offline vice versa is also true. So, so, so we have different kinds of sales channels which may be used by different casts of customers at different times. And so, the marketer must keep their options broad and open.

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Sales Objectives, Strategies and Tactics

- The sales objective of an organization is to have a decent growth in sales
- The goals and objectives related to sales is derived from the organization's marketing objectives and goals
- The marketing objectives and goals are derived from the corporate objectives and goals of the organization

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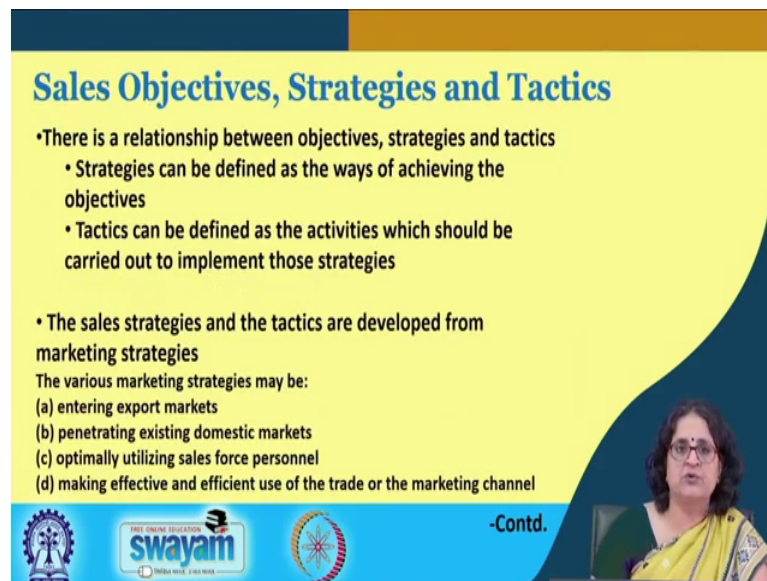
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Now, we come to the sales objectives strategies and tactics. The sales objectives of an organization have you know is to have a good sales to have good profits, and it is a good large market shares, it is good customer base loyalty satisfied customers. So, the goals and objectives related to sales are derived from the organizations marketing objectives

and goals. And, the marketing objectives of course, are determined from the corporate objectives and goals.

So, broad at the broad or at the umbrella head we have the corporate goals and there we have the marketing objectives and keeping in mind the marketing objectives. The sales objectives of the organization are set forth.

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Sales Objectives, Strategies and Tactics

- There is a relationship between objectives, strategies and tactics
 - Strategies can be defined as the ways of achieving the objectives
 - Tactics can be defined as the activities which should be carried out to implement those strategies
- The sales strategies and the tactics are developed from marketing strategies

The various marketing strategies may be:

- (a) entering export markets
- (b) penetrating existing domestic markets
- (c) optimally utilizing sales force personnel
- (d) making effective and efficient use of the trade or the marketing channel

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Now, there is a strong relationship between the objective strategies and tactics. Strategies are defined as the ways of achieving the objectives ok. And, tactics are defined as those activities which should be carried out to achieve the strategies. So, you know in order to achieve your strategies you require you require tactics will help achieve your strategies. And, these strategies will help achieve your sales objectives and your marketing objectives.

So, what can be the various kinds of strategies and tactics, which a company can have it could be entering export markets, or it could be in you know penetrating deeper into existing domestic markets. It could be optimize optimizing your sales force performance try to get maximum out of your sales force make them more effective efficient and make effective use of your channel partners or your trade partners.

Any, and all of these could be different kinds of sales strategies and tactics which would help achieve the marketing objectives of the organization.

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So, you have here the tactics which actually help achieve your strategies and which are going to help achieve your objectives. So, you have decide or you set your objectives the depth from those objectives you develop your strategies and from those strategies you have to evolve your tactics or your action plans. So, that the action plans can help achieve the strategies and the strategies would be helping achieve the objectives that the company wants to attain.

So, a company for example, may want to increase its sales of its electric vehicles by 10 percent as one of its sales objectives. So, what does it do?

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Sales Objectives , Strategies and Tactics			
Sales Goals Objectives	Marketing Strategy	Sales and Distribution Strategy	Tactics / Action plans
<ul style="list-style-type: none"> Increase sales by 10 percent 	<ul style="list-style-type: none"> Enter newer segments: -Geographic (states, countries etc.) 	<ul style="list-style-type: none"> Identify the states, countries Decide on distribution channels: direct/indirect; selective/exclusive 	<ul style="list-style-type: none"> Marketing department and the sales team must gather information about the viability of such segments Decide on the distributional channel; select, train and guide the channel members or the marketing intermediaries Add channels and members: select, train and guide the sales force training; arrange for adequate compensation packages and motivational programs. Train sales managers to perform their team leader roles. Link sales volume quotas to the rewards and compensation plan
	<ul style="list-style-type: none"> Penetrate existing segments 	<ul style="list-style-type: none"> Emphasize upon proper sales force management Make use of effective and efficient trade channels and intermediaries 	

It can enter new market segments. So, the broad sales goal or the broad sales objective here is to increase sales by 10 percent. So, what would be the marketing strategy? What would be the commencement rate sales and distribution strategy? And, what would be the tactics? Let us look at this now. For example, if a company wants to increase the sales of it is electric vehicles by 10 percent. It has it can offer to you know to it can formally it can have 2 it can adopt any of the 2 marketing strategies or it can adopt both; one it could penetrate existing systems 2 it could enter newer segments you know maybe new geographic, territory, states, countries etcetera.

So, if it is in case of the first where we talk of entering new segments it could be new states or new countries. So, what would be the sales and distribution strategy; one identify those states identify those countries where the company would want to enter. And, then decide on the appropriate channel direct or indirect whether the especially in this case whether would be exclusive or it would be selective. And, then the marketing the action plan of the tactic would be that the marketing department and the sales team, gather enough information about the viability of such segments and decide on the distribution channel select train and guide the channel members or the marketing intermediaries.

So, this would be the way they would go about through you know gathering information discuss looking at the viability of the segment and then deciding on distribution channel.

And, sales force management it would be able to finally, be able to achieve it is sales goal or it is objectives of increasing sales by 10 percent.

Another strategy that marketing strategy that it could adopt would be to penetrate existing markets, now to penetrate existing markets again it would have to emphasize upon proper sales force management make effective and efficient use of the trade or channel intermediaries. So, this becomes a part of the sales and distribution strategy, but to come to actually achieve this what the tactics or the action plans would involve, add channel members select them train them provide adequate compensation to them, train sales managers to perform, team leader roles also link the sales volume quota or the sales volume targets to the rewards and the compensation plan.

So, in this way these strategies these action plans or these tactics will actually you know be a part of the sales and distribution strategy, which would again be in line with the marketing strategy and through this the sales objectives of a 10 percent increase in sales the marketing objective of increasing market share will actually be achieved. So, this is how we relate the sales objectives the sales strategies and the tactics.

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Sales Management Actions / Tasks	Distribution Management Role
<ul style="list-style-type: none"> • Effective market coverage -Lead generation, Prospecting -Sales call: pre-approach, Approach, Follow ups 	<ul style="list-style-type: none"> • Sales call: B2B, and B2C(Channel partners) • Follow up call plans • Use multi-channels
<ul style="list-style-type: none"> • Handling customer complaints 	<ul style="list-style-type: none"> • Prompt action • In case of serious problems, involve the marketing team, and senior sales managers
<ul style="list-style-type: none"> • Local advertising and sales promotion 	<ul style="list-style-type: none"> • Co-ordination with distribution channels • Co-sharing of expenses

So, again another of you know thing could be when we talk about sales management actions and tasks this also gets related to the distribution channel. So, if the sales management task or action is effective market coverage, this would involve lead generation prospecting sales call, pre approach, approach follow up. Now, with respect to

lead generation prospecting sales, calls approach, pre approach, these are things which we will be dealing in subsequent module when we talk about the selling process.

Another sales, so commensurate to the sales management action a distribution management role would be sales calls whether it is B2B or B2C with channel partners, follow up call plans and using multiple channels or hybrid channels.

If, we if we talk of another you know sales task which is handling complaints, the distribution role here becomes prompt action. And, in case of problem which are serious or of a bigger nature it is important to involve the marketing team to senior sales manager is even the people in the R and D in operations. And, if it is with respect to you know for example, another you know thing which could discussed could be local advertising in sales promotion, if this is a sales management task commensurate to it would be distribution tasks could be coordinating with other channel partners or channel distribution channels co sharing of these expenses etcetera.

So, this is how we see that the sales management tasks also get related to the distribution management role.

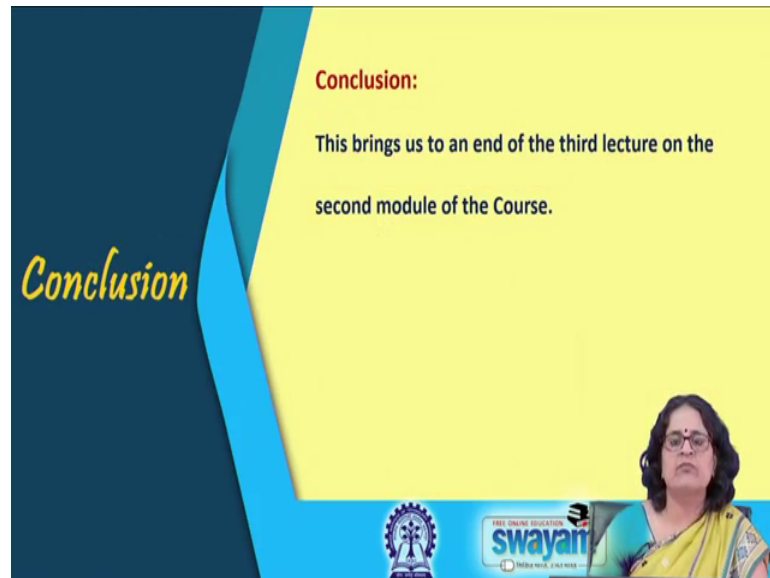
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So, with this we come to an end of this lecture. The references are Still Cundiff Govoni and Puri Sales and Distribution Management, 6th Edition Pearson India. Havaladar and Cavale Sales and Distribution Management text and cases 3rd edition Tata McGraw Hill,

Panda and Sahadev Sales and Distribution Management 2011 Oxford University Press,
and Futrell Fundamentals of Selling McGraw Hill education.

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This brings us to an end of the third lecture on the second module of this course. We will move with the next lecture and we will be continuing with this topic.

Thank you.