

DETERMINATION OF THE EFFECTIVENESS AND PROFITABILITY METRIC MARKETING AND SALES FORCES

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ABSTRACT

This scientific research strength handles sales metric. It lists and defines the most common measures to determine whether the sales force and geographic coverage are eligible. Also discussed "channel analysis" (monitoring of the success of sales representatives by understanding the degree of success during the various stages of the sales process). This analysis is used to predict the sales force and the allocation of the sales force efforts in various stages of the sales process. The purpose of this research is to describe how traders measure the efficiency and effectiveness of systems that offer customers the reasons and opportunities to buy their products.

Keywords: *Territories, sales force, channel analysis, marketing metric*

JEL Classification: *L81, M31*

1. Introduction

In this scientific paper treated metrics of the sales force. It lists and defines the most common measures to determine whether the strength of sales and geographic coverage are adequate. Also discussed "channel analysis" (monitoring of sales representatives to understand the success rate of success during the various stages of the sales process). This analysis is used to predict the strength of sales and allocation of the sales force efforts at various stages of the sales process. The sales force territories are consumer groups or geographic regions for which they are responsible groups or individual sales. Territories can be defined based on geography, sales potential, history, or a combination of these factors. Companies try to balance their territories because it can reduce costs and increase sales.

There are different ways that can be used to analyze territories. Mostly, territories compared according to their potential or size. If you have multiple territories or difference arising out of balance, the sales staff may be given more work than necessary or less than they should. This can lead to over or under customer service.

Unbalanced territories raise the problem of unfair distribution of potential sales among members of the sales force. This can result in compensation for unfair and could deter talented salesman from the company who will be looking for balance and better compensation from another provider.

Achieving a good balance between territories is an important factor in maintaining customer satisfaction, sales force and the company.

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In defining and redefining territories, companies try to:

- Balance workload
- Balance of sales potential
- Develop compact territories
- Minimize disruption during the redesign

Prior to design new territories, the sales force manager must assess the workload of all members of the sales team.

The purchasing power based on factors such as the average income level, the number of businesses in an area, the average sales of these businesses and the demographics of the population. Indicators of purchasing power are specific to particular industries. In addition to the workload and sales potential need another metric to compare territories. This is the size or better travel time. In this context, the travel time is more than adequate size and determines the time needed to reach customers and potential customers. The combination between sales potential and the travel time can be used to compare territories.

2. Channel Analysis

Channel analysis is used to track the efforts of the sales force in relation to all current and potential customers to predict short-term sales and to evaluate the workload of the sales force. A convenient way to predict sales in the near term and to show care sales force is to create a sales channel. Although this concept can be represented graphically, data can be stored electronically in a database.

The concept of channel sales originates from a well known dynamic: if a sales force reaches a large number of potential customers, only one of them will make the purchase. Although sales force carries out several stages of interaction with the customer, some of them will escape. At the end of each stage only a few potential customers will remain. By maintaining the potential number of customers at every stage of the process, the sales force manager can balance the workload within the team and to achieve accurate predictions on sales. While the hierarchy of effects focuses on the impact of advertising or mass media, the sales channel used to track individual customers (often by name) as well as the efforts of the sales force.

Creating interest: This includes creating awareness about a product through activities such as fairs, direct mail and advertising. In the way of creating interest, retailers can generate leaders. The two main classifications of stakeholders include: cold and warm stakeholders concerned.

The cold Concern: An interested who has not expressed specific interest. These can be identified through the list of mail-outs, phone book, business lists, etc.

The warm Concern: An interested expected to be accountable. These potential clients can be registered via the Web or can be requested information on the product.

Pre-purchase: This stage involves identifying the perspectives of the whole of the cold and warm stakeholders. Vendors make this distinction during the initial meetings with interested parties, in which they explain the features and benefits of the product as well as cooperate in

solving problems with the customer. The desired result of this early meeting is not a sale but the identification of perspectives and leaving future meetings.

Perspective: A potential customer who is identified as a potential buyer and that possesses the ability and desire to buy.

Purchase: Once prospects have been identified and are making some phone calls with them, vendors included in the second and third meetings with them. It is at this stage going on "buying" traditional. Sellers fail to persuade, negotiate or give offerings. If agreed to a purchase, the seller can close the deal via a written proposal, contract or order.

After-purchase: Once the customer has made a purchase, there is still work to be done. This includes delivering the product or service, installation (if required), payment collection or potential training. After that hides a commitment to customer service.

Once vendors have visualized different stages of a sales channel, they can better track client and contracts. They can achieve this through a database. A manager can use the information stored on such a channel to prepare for sale in the near future. This is a form of channel analysis.

3. Numerical Distribution

Distribution metrics quantify the availability of the products sold by retailers, usually as a percentage of all potential traders. Often, traders are weighted by the share of that category sales or sales "of all goods". For manufacturers who sell through resellers, distribution metrics reveal the percentage of access to the brand in the market. Balancing the firm's efforts to "postpone" (creating and maintaining the support of resellers and distributors) and "pull" (generation of consumer demand) is a strategic issue for traders.

In general terms, marketing can be divided into two main challenges:

The first and most appreciated, is to ensure that the consumer or end user to want a product of the firm. This is known as an attractive marketing.

The second challenge less known but is often just as important. Marketing impeller ensures that customers be given the opportunity to buy.

Traders have developed different metrics by which to judge the effectiveness of the distribution system which creates opportunities to buy. The most important of these measurements are the availability of the product.

Availability metrics used to determine the number of merchants that achieved by a product fraction of important markets served by these retailer and percentage of total volume sales in all categories filled by the retailer to have that product.

Conclusions

Determining whether sales force and geographic coverage are adequate.

Strength forecast that sales and allocation of the sales force efforts at various stages of the sales process. Unbalanced territories raise the problem of unfair distribution of potential sales among members of the sales force.

Channel analysis is used to track the efforts of the sales force in relation to all current and potential customers to predict short-term sales and to evaluate the workload of the sales force.

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