

THE IMPORTANCE OF STRATEGIES IN THE SALE PROCESS

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Abstract

The science of marketing, in this case the art of negotiation and selling, is inseparably linked to the salesperson's ability to think, plan and implement strategies. A good negotiator is above all, a good strategist, able to combine effectively the constituents of his/her work, from the intrinsic psychological resources (temperament, intuition, will, motivation, loquaciousness), to those related to external factors, circumstances (economic, financial situation, market competition, customer relationships). The act of selling is not confined to certain prosaic conversations between salesperson and customer, regarding needs and offers, but includes beforehand a complex process streamlined and systematized based on a set goal and on objectives measurable by shrewdly handling tactics of negotiation. The sales strategies used, from the traditional to the innovative, personalized ones, consistent with the trends and pace of life today, is therefore the essence of value in the science of sale.

Keywords: *sale strategies, personal negotiation style, strategic move, value innovation, classic strategies vs. modern strategies.*

Introduction

Regardless of the area of human activity where it occurs, the notion of strategy is the art of combining different methods and means, operations, maneuvers and tactics in order to achieve the targets set. It is a known fact that from ancient times, especially in military art and even in the science of war, victory was conditioned by developing effective strategies. And these were achieved through the cognitive and intuitive visionary ability of the leaders. Strategy means, ultimately, a very good knowledge of the resource intertwined with the planning ability of the courses of action. From the military art to the social organization, from engineering and socio-human sciences to the pragmatic everyday activities, success is generated by the ability "to think" effective strategies.

In business management, strategy holds a paramount importance, since it represents the manner in which a company reaches its degree of effectiveness. The present study aims to examine how sales strategies are designed, with their specific elements optimally directed, depending on the needs imposed by the contextual situation of a negotiation.

Starting paradigms of the theories enshrined in the field, harnessing the scientific references, starting from the specialty literature in our culture (Ștefan Prutianu, for instance) to the current Western one (Tom Hopkins, Rick Page) or of the representatives of the INSEAD Institute from France (W.Chan Kim și Renée Mauborgne) and in the same

time calling on my own experience in this professional field, the research argues the scope achieved by strategic science in the field of sales, emphasizing its prolificacy and efficiency in the modern and current thought patterns.

Actual content

*"Strategy is a resource development plan, so as the strengths can rely on the weaknesses of the opponent, creating dynamics and leading to victory."*¹ This is the definition given by a specialist in the field, Rick Page, in a study dedicated to sales strategies. On the other hand, other analysts and theoreticians consider that *"Strategy aims at placing the company in a position that can effectively compete and survive in the market."*² Strictly in the field of sales, strategy is however closely related to negotiation and *"should be regarded as a way of thinking, a way of dynamic approach to a confrontation or a psychological conflict between two or more wills. (...) The strategy of negotiation is the art of guiding and controlling the interaction of wills, which by its nature has a certain dynamics imprinted by one side to the other."*³ The dominant side is based on the visionary clarity of the negotiation confrontation, since *"the fundamental principle of strategy is to master the interaction of the wills that confront at the negotiation table."*⁴ But to reach this moment of grace, the acquiring of skills to develop strategies is needed, through optimal combination of the psychological, communicational tools with the pragmatic ones (economic, financial, managerial). R. Henry Miglione rightly asserts in his study *An MBO Approach to Long-Range*

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¹ Rick Page, *Hope is not a strategy. The 6 keys to winning the complex sale*, Publisher Amaltea, Bucharest, 2006, page 151.

² Jim Blythe, *Sales and key account management*, Publisher Codecs, Bucharest, 2005, page 3.

³ Ștefan Prutianu, *Negotiation and transactional analysis*, Publisher Sagitarius, Iași, 1996, page 173.

⁴ *ibidem*, page 174.

Planning: “A good way to define strategy is to ask yourself the following question: «How and where will I use my resources?» The answer represents your strategy”⁵

Most experts believe that sales strategies are derived from marketing ones, which, in turn, have their origin in military strategies. The latter are studied, taken as a model of initiative and adapted to the social contexts of the time. Rick Page, for instance, strongly emphasizes the need for preexisting strategic thinking patterns of managers, on which to base strategies for immediate action, in order to anticipate such events and to perceive the visionary strategic plan: “Intuitive or «natural» salespeople or managers without mental pattern might encounter problems when running a sales team, as they don’t know why they are performant and cannot transfer knowledge to others.”⁶ These mental patterns are formed after achieving information acquisition of classic, historical military strategies, which then generate the elaboration of strategic attitudes and skills. In this regard, the formula of military theory strategy is relevant, which was elaborated by the French general André Beaufre, in *Introduction à la stratégie*, according to which strategy is an equation consisting of several components:

$$„S = u \cdot M \cdot P \cdot T$$

where: u – factor of circumstantial situation or influence, M – material and financial forces involved in conflict and in interaction, P – available psychological forces, T – time factor.”⁷

Depending on the weight that these elements have in availability of the negotiator, strategy acquires a certain situational contour. The salesperson must take into account the forces he owns to outline her/his appropriate strategy by which to win over the customer. A strategy that builds on the material and financial strengths, will minimize the psychological factor, showing a strong, short but decisive fight, while the strategy that focuses on the psychological forces shows that the financial and material part is inferior and as such will need more time for achievement, tactics and maneuvers to manipulate the will. But the cardinal element in the selection of the strategy depends on the situation, the circumstances in which the salesperson-customer relationship blossoms.

We therefore see that the act of selling, in essence, refers to a relationship of grabbing the other person, a combative relationship, because ultimately it is a fight that a good salesperson wants to win at any cost. The victory of this fight depends on the

adopted strategy. Here comes in, of course, the knowledge of human traits, which will generate a specific relationship, whether blatant and rigid, defying the code of ethics, or flexible, cooperative and honest. Therefore, experts say, that “different people need different strategies and approaches. The choice will be good to the extent that the strategy matches the man. (...) The right man for the right strategy and vice-versa.”⁸ Furthermore, on the field of negotiations, each side enters with his/her luggage of convictions and attitudes, acting accordingly, but the need to choose a strategy in sale is relentless, as it represents – as Ștefan Prutianu states – “a mental map” for the salesperson, a landmark for mental organization of ideas and actions for approaching: “The negotiator seeks for the way towards the partner, towards the agreement and towards the objectives, using, almost unconsciously, this mental map as a road map or a tourist map. (...) To negotiate without a minimum idea of strategy would be the same as driving without a road map in an unknown land. The mental map in the head of the negotiator is the first intuitive idea of strategy, based on daily behavioral trends.”⁹

On the other hand, elaborating a complex strategy is not limited only to the intuition of characters and reactions of the customers, the sale strategy takes into consideration a global perspective on social and economic modulations, from the macro-level of the market and industry to the inner level (micro level) of the company represented by the salesperson. This perspective axis requires, in the vision of a theoretician in the field, strategies on four levels: „(1) industrial market level, (2) enterprise level, (3) opportunity level and (4) individual level. Each level involves different techniques, talents, and technologies, which can communicate the entire strategic plan of enterprise in the entire world.”¹⁰

Developing a strategy

Developing a strategy essentially means to make a complex plan of action, in order to achieve major goals. The main elements that are part of it, are primarily related to the context and the information required by the market, to setting goals and objectives, to the salesperson’s way of thinking and his/her visionary ability, to the tactics adopted, as a way of action.

The personal manner of designing and implementing a strategy creates the salesperson’s *style*. It’s in fact the performance acquired with

⁵ apud. Rick Page, *Hope is not a strategy. The 6 keys to winning the complex sale*, Publisher Amaltea, București, 2006, page 169.

⁶ Rick Page, op.cit., page 152.

⁷ Ștefan Prutianu, op.cit. page 181.

⁸ Ștefan Prutianu, *Negotiation skills training*, vol.III, Publisher Polirom, Bucharest, 2007, page 43.

⁹ Ibidem.

¹⁰ Rick Page, op.cit., page 152.

much perseverance, which individualizes his/her work and thus launches him/her among professionals.

The theoretician Rick Page elaborates in his study some preliminary stages¹¹ of developing an efficient strategy. In this regard we must mention:

13. **Information** – „, the more we know about competition, about the process of making decisions, about policy and customer needs, the more we are able to formulate a coherent strategy.”

14. **The vision of success** – which consists of the "mental image", which the salesperson intends to apply in order to achieve his/her purpose. He/she appeals to graphical and technological means to communicate the benefits and impregnate them in the minds of customers.

15. **Setting the aim and objectives.** The aim has a large level of generality and represents the desirable purpose. It has a macro-structural nature, defined on a long term on the organizational culture scale of the enterprise / company. The objectives aim at micro-structural purposes, put on the map segments necessary for the achievement of the purpose, being immediately measurable at the end of the action.

16. **Tactical actions** – Detailed actions taken to implement the chosen strategy. There is often confusion between strategy and tactics, but semantic terms delineation highlights **the strategy** as a way in which the goals, "the plan of attack", are achieved, how the objectives, resources, partners, customers, etc. are planned on a long term, and **tactics** - the manner in which strategy steps are taken, flexible and adaptable to unexpected situations, taken on short time segments.

17. **Revisions of the strategy** – „,the most important part of a strategic plan is its **testing** (author's note)” – says Rick Page, taking over the idea of a renown professor from Stanford, Tom Kosnik, according to whom „testing strategy is what differentiates amateur strategists from efficient ones.”¹² Thus we can access information necessary to make revisions to tactics or to create a better adaptability to the situation.

These stages are not immutable, they suffer difference nuances from one strategist to another, but the directions they indicate remain generally valid. Ștefan Prutianu¹³, for instance, identifies the following stages in the setting a negotiation strategy: 18. **Setting the objectives** (equally the starting point and ending point in developing a strategy) and, in parallel, **gathering the information** regarding the referential situation (context, market, customers, competition etc.). The objectives are later

formulated in a precise manner, based on the gathered information.

19. **Decomposition of the negotiation process in stages with intermediate objectives, which gradually brings the final objective closer** (such as, for instance, setting a meeting, the meeting, tendering, finding a solution).

20. **Identification of tactical actions, which could materialize the strategy.** In this stage there are different tactics, means, ways, tricks used, which support the achievement of intermediary objectives. Here, a significant percentage is taken over by “bargaining power sources, where, when, the team, the system of alliances, etc.”

21. **Evaluation of the chances of success of tactical actions and choosing the more efficient ones.** This is the stage in which the positive effects of the tactics are estimated.

22. **Simulating or testing the negotiation strategy.** The last stage in achieving the strategic plan has the role of registering the details of the design negotiations trajectory, in order to see the omissions or possible errors that must be corrected before the plan is being implemented.

The strategy “*gradually materializes by linking together tactical actions*”¹⁴, says the theoretician Ștefan Prutianu. Tactics are therefore the interior motive of strategies. Subordinated to them and acting in a small circle within their general framework, tactics have greater flexibility, because they change depending on the circumstances, on the discussion partner or on unexpected events that suddenly occur, while the strategy remains constant. Changes from the inside operate at the level of tactics without changing the strategic purposes. The latter changes only when the information generates major changes in the plan of approaching the customer.

On the other hand, the author of the already mentioned volume, **Hope is not a strategy**, considers that, from operational point of view, the semantics of the two words overlaps to some degree, depending on the interpretation perspective, in the sense that “*the same element, regarded from up or from down, may be strategy or tactics. (...) What is a tactic for a company becomes a strategy for a subordinate division. What is a tactic for a division becomes a strategy for the department.*”¹⁵ In this regard, „*a point of action could be a strategy, as well as a tactic in the same time, depending on the level it's analyzed.*”¹⁶

As a result, the forming of a strategy is the point from which any salesperson begin, the strategy

¹¹apud. ibidem, pp. 159 – 164.

¹² ibidem, page160.

¹³ apud. Ștefan Prutianu, *Negotiation skills training*, pp.44 – 47.

¹⁴ Ștefan Prutianu, *Negotiation skills training*,... page 46.

¹⁵ Rick Page, op.cit., page 164.

¹⁶ Ibidem.

being basically the center of gravity of a sale, according to which the salesperson must shape his/her way of thinking, identify his/her purpose and objectives, establish his/her tactical actions, depending on the sources available and the referential framework in which the salesperson-customer communication takes place.

Strategy and style

Beyond the compositional elements of a strategy, the salesperson takes into consideration several psycho-temperamental factors that determine the style of negotiation and determines equally the choice of a certain type of strategy.

A salesperson's negotiating style is the synthesis of his/her individual qualities and abilities, his/her own way of working, his/her original way of approaching a negotiation situation. The individual peculiarities refine over time by accumulating experiences, forming certain constants manifested as a stimulus, reaction, perception, and finally way of action. These constants, however, start from certain dispositions, instincts or spontaneous reactions that are closely connected to the salesperson's personality, especially with his/her psychological temperament. The negotiating technique, acquired according to a certain theoretical pattern, will bear, in its practical manifestation, the insignia of the negotiator's personality and the result of this symbiosis will generate the fundamentals of a personal negotiation style. In this regard, Ștefan Prutianu in his study about forming the negotiation abilities believes that „*the personal negotiation style synthesizes the character and personality of the negotiator, his/her deep attitudes and convictions, opinions, habits, and bad habits, which he spontaneously adopts when he/she enters into a situation with potential conflict and searches for a solution together with the opponent.*

The personal negotiation style is rather attitude, predisposition and spontaneous behavior than deliberate strategy. The voice, tone, gaze, facial expression, involuntary movement or body posture are some indications that betray him/her, beyond the will and conscious thinking, which throw masks over the hidden face over of our personality”¹⁷

Undoubtedly the personal negotiation style takes over the temperamental color of the negotiator, but we cannot say that it is only resumed to these subliminal aspects. Having a style in an industry means much more than this; it means the performance of a process of training and polishing of certain tendencies of action, deeply rooted in both the baggage of knowledge, education and training,

as well as in the practical experience achieved over time.

The above mentioned specialist develops several directions of categorization of the personal negotiation style, relying on certain behavioral paradigms perceived as "ways of solving confrontations"¹⁸: **competitive** – presents an aggressive, dominant, adverse behavior, strictly concerned with personal interests and ignoring the needs of the partner, even causing him/her losses and undermining his/her dignity; **concessive** – based on understanding, docile attitudes, even obedience and apprehension before the adversary; adopting attitudes of **compromise** – consists in choosing a quick solution, without searching for advantages and avoiding losses. This attitude gives the impression of sufficiency, without the possibility of reaching performances or at least the feeling of satisfaction after achieving victory. It presents a amiable, comfortable relationship, without any risks, but also without the spectacular; **cooperation** – the most advantageous behavioral style in the field of sales, precisely because the negotiating parties see themselves as partners, whose goal is common and they search together for the optimum solution that benefits both sides. “*Emphasis is given to the effort of overcoming the problem and not of defeating the opponent.*”¹⁹; there are persons who adopt a behavioral style characterized by the tendency to **avoid** confrontation and to lose, as a result, the battle, negotiation and its benefits.

Several times, the confrontation between two parties, two wills result, in essence, in the victory-defeat report. This report is more suitable for situations of force which do not allow negotiation. At the bargaining table, in the relation customer-salesperson, the negotiation must, however, overcome the absolutism of this report, given that beyond confrontation and imposition of ideas, desires or visions, the salesperson must seek solutions that favor both sides, the customer's side as well as the salesperson's. Ultimately, the salesperson's victory shall be recovered through the customer's satisfaction and not necessarily through his/her “defeat”. The latter can be understood as a kind of relaxation of the customer's desires, handling them in the sense of adopting the salesperson's concepts and vision. Following a fierce confrontation with the difficult demands of the customer, the salesperson may consider him/herself victorious if he/she managed to convince the customer of the efficacy of the product offered, giving the customer as a solution his/her own interests and thus gaining profit.

¹⁷ Ștefan Prutianu, *Negotiation skills training*..., page 23.

¹⁸ ibidem, page 21.

¹⁹ ibidem, page 22.

Synopsis of the dynamics of creating different types of sales strategies

The specialty literature approaches various taxonomies of strategies used in sales, according to various criteria.

Thus, in the vision of Ștefan Prutianu, starting from the fundamental formal categories, which generally valid, there are *direct strategies and indirect (lateral) strategies*.

According to the psychological criterion, he differentiates between *competitive strategies and cooperative strategies*²⁰, which he divides according to the negotiation style: *domination strategy, concession strategy* (surrender), *avoiding strategy, compromising strategy*.²¹

Rick Page, in his study about the development of sales strategies, identifies a classification of these styles according to the criterion of basic elements, which compete in achieving the proposed purpose. The general strategy categories (*anticipatory strategy, frontal strategy, flanking strategy, functional strategy, strategy of selling to the state, programming strategy*²²) are in their turn divided into different types of subordinate strategies, which become however methods or tactics for their achievement.

Tom Hopkins, in his turn, identifies another series of sale strategies, based on the methods and tactics of motivating the salesperson, measurable in attracting and influencing the customer: *multiplying references, offering additional services, selling in a bunch, entering the clientele professional horizon, entering the unknown clientele horizon, assuming a publicity message, renewal of the contracts and rebuilding connections, Thank You notes*.²³ At a closer look, we speak rather about techniques / methods / tactics to seize the customer, but placed in relation to the purposes, objectives and resources owned, they can form effective strategies for development and multiplication of the clientele.

We must not ignore the strategies proposed by Sayan Chatterjee, called *strategies of avoiding failure: strategies of growth and diversification*²⁴, which can be categorized into *entering strategies based in differentiation, entering strategies based in low prices, market shaping strategies, development of multiple ways of migration*. The development of strategies aims mostly on affirmation and consolidation of a company in the market, minimizing competition and winning over a solid clientele. Most strategies target, in these

circumstances, the growth of profit, but of considerable importance in the management of a company or companies are these “risk avoidance strategies”, by means of which possible ways of profit loss or even bankruptcy may be annihilated. Of course they have a different approach of the elements that are part of a strategy, from a broader perspective, which includes risk and their assumption, since, as the author says in his study in the field of strategies, “*profits comes from the ability of a company to assume risks, avoiding their negative impact*.”²⁵ On the other hand, these strategies anticipate the competitive risk, opting for tactics with the lowest level of risk and are developed after a exhaustive analysis of the capacities and resources and the position of the company on the market.

Regarding the strategic idea of shaping the market, W. Chan Kim and Renée Mauborgne develop, in a recent marketing study, *the Blue Ocean Strategy*²⁶ – an innovation, we could say, in the strategic field of management and marketing. The authors propose a modern, progressive vision of taking over the market, adapted to the global tendencies of the contemporary values, debunking to some extent the traditional competitive strategies. We talk about a reconfiguration of the sense a strategic thinking can have. Focused on creative force, on searching for a new solution, according to the dynamics of present life, of the current geopolitical configurations, which influence the development of decadence of the companies and industries, *the Blue Ocean Strategy* aims to move the emphasis from competition and competitive battle (called by the authors *red oceans*) to creating new spaces of manifesting an economic and industrial life, particularly a market universe, which is permanently changing and evolving. These new spaces, which “are not mapped” in the atlas of companies and industries, generically called *blue oceans*, become an imperative in modern society, through the fact that it targets invention and business launch depending on the progress of technology. The authors of the study emphasize the importance of overcoming competition (exiting the “red waters”) by reorientation in the perspective of *strategic moves*: “*How can a company come out of the red ocean of bloody competition? How can it create a blue ocean? (...) In the search for an answer, our first step was to define the basic unit of analysis for our research. (...) Thus, it seems that neither the companies, nor the industries are the best unit of*

²⁰ Ștefan Prutianu, Negotiation and transactional analysis..., page 174.

²¹ idem, Negotiation skills training..., pp.48-60.

²² Rick Page, op.cit., pp. 169- 186.

²³ Tom Hopkins, The book of selling, Bucharest: BusinessTech International, 2014, pp. 468-489.

²⁴ Sayan Chatterjee, Strategies of avoiding failure, Bucharest: Publisher All, 2009.

²⁵ ibidem, page 23.

²⁶ W.Chan Kim, Renee Mauborgne, Blue Ocean Strategy: How to create an uncontested market space and make the competition irrelevant. Bucharest: Publica, 2015.

*analysis and study of the causes of profitable growth. Consistent with this observation, our study shows that the strategic move, not the company or industry is the correct unit of analysis for explaining the creation of blue oceans and of the durable high level performance. The strategic move is represented by a set of managerial actions and decisions involved in the development of a major offer of market creation (s.n.).*²⁷ And the latter is based on the principle of *innovation by value* (defined as “a new type of thinking and executing of a strategy, which leads to creating a blue ocean and to detachment from competition.”²⁸), thus overcoming competition strategies, based on “*compromise between value and cost.*”²⁹ Such innovating strategies develop other stages of development than the traditional ones, following different multilateral approaching ways and perspectives³⁰, both externally, which targets a reconfiguration of the market borders and as a result of the “chain of buyers”, as well as internally, related to the capitalization “of the strategic groups within the industry” and to their complementary and even emotional offers: “appeal exerted on buyers”.

Traditional strategies vs. modern strategies

It's well known that modernism occurs and develops as a reaction to the structural and traditional visionary patters. Market economy does not know static forms, but has a effervescent dynamic, which is continuously changing. That is why selling strategies follow the global tendencies of current social and economic life. If society evolves and generates new demands, in the vibrant rhythm of technological developments of the last decades, marketing people must follow the principal of adaptability and create strategies according to the contemporary reality. We believe however that a modern and efficient selling strategy may be thought and elaborated by a salesperson that developed a solid base of knowledge and assimilation of classic theories and formulas, on which basically any modern innovation is grafted. Traditional strategies are an extremely necessary base in forming a strategic vision, since it is the support in which the lines of future fruitful innovation is anchored, either contesting tradition or surpassing it. In a culture, generally speaking, classicism is considered to be an inexhaustible source of values, upon which the ideas of modernism are created. The well known analogy of Bernard of Chartres, from the 2nd century AD,

according to whom the moderns (in the sense of new, of new thinking and vision) are midgets climbed up on the shoulders of ancient giants, who see however more and farther than the latter, not because they have a larger vision, but because they stand up and lean on the gigantic stature of the giants³¹, is as eloquent as possible in the sense of our assertion about the classic-modern report.

The dictum is however justly and fully exploited by the historians in the idea of progress. Not having a classic base as fundament, modern innovations, regardless of the scientific field or the scope of activity of the person, remain mainly invalid in time; as it is understood that evolution cannot manifest itself strictly within the limits of traditionalist conceptions.

Thus, strategies in sales, precisely because they are directly related to the idea of social progress, must exceed their general grids of classic, military strategies, from which they start, but not by ignoring and annihilating them, but rather by assimilating them in the sense of creativity, because they appeal to the salesperson's ability to guess the optimal direction of approach of the customer and adjust the tools for the adopted purposes.

Conclusions

Sale strategies, metaphorically speaking, represent the path created by the salesperson to achieve his/her goal by concerting the immanent intrinsic elements available with those caused by external circumstances, by the market or by socio-economic evolution, thus standing out in a creative and original manner as a professional style and value. The professional salesperson sets his/her own effective personal strategy, in a timely manner, once he achieved the prospecting of a customer, and the style created by scientific assimilation and gained experience distinguishes him/her as an individual and imposes him/her in the same time as an innovator in the field. The vision of sale opens up and gives him/her a broad perspective, in which the dynamic strategies follows the natural trajectory from the classic patterns towards the modern vision of thinking, designing and implementing them, a vision that leaves much room for spontaneity and insight of the negotiator who is placed into the circumstances of using his/her talents on a personal and creative level.

²⁷ ibidem, pp. 44, 46.

²⁸ ibidem, page 49.

²⁹ Ibidem.

³⁰ ibidem, pp.91- 130 et passim.

³¹ apud Matei Călinescu, *Five faces of modernism*, Iași: Polirom, 2005, page 29.

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