

THE HANDBOOK
OF
SALES
MANAGEMENT
—
S. ROLAND HALL



**THE HANDBOOK OF
SALES MANAGEMENT**

BY THE SAME AUTHOR

THE ADVERTISING HANDBOOK

5 x 8 in., Flexible Cover,
735 pp., more than 400 illustrations

**THE HANDBOOK OF BUSINESS
CORRESPONDENCE**

5 x 8 in., Flexible Cover,
1048 pp., more than 260 illustrations

RETAIL ADVERTISING AND SELLING

5 x 8 in., Flexible Cover,
In press

THE HANDBOOK OF SALES MANAGEMENT

A REVIEW OF MODERN SALES PRACTICE AND
MANAGEMENT, ILLUSTRATED BY THE
METHODS AND EXPERIENCES OF
REPRESENTATIVE SELLING
ORGANIZATIONS

BY

S. ROLAND HALL

ADVERTISING COUNSELOR; FORMERLY ADVERTISING MANAGER FOR ALPHA PORTLAND
CEMENT COMPANY AND VICTOR TALKING MACHINE COMPANY; FORMERLY, ALSO,
DIRECTOR INTERNATIONAL CORRESPONDENCE SCHOOLS OF ADVERTISING SALEMAN-
SHIP; AUTHOR OF "THE ADVERTISING HANDBOOK" AND "THE HANDBOOK
OF BUSINESS CORRESPONDENCE."

FIRST EDITION
THIRD IMPRESSION

McGRAW-HILL BOOK COMPANY, INC.
NEW YORK: 370 SEVENTH AVENUE
LONDON: 6 & 8 BOUVERIE ST., E. C. 4

1924

COPYRIGHT, 1924, BY THE
MCGRAW-HILL BOOK COMPANY, INC.

PRINTED IN THE UNITED STATES OF AMERICA

Original copy 532646

GIFT

GROWTH OF THE NEW SALESMANSHIP

There seems to be a natural tendency on the part of modern writers to call their productions the New Something or Other. If one writes on religion, politics, teaching, courtship, or golfing, the title is more than likely to be "The New Religion," "The New Politics," "The New Teaching," and so on.

Now, Solomon, who enjoyed a reputation for wisdom, ventured the statement that there is little or nothing new under the sun. The man who flatters himself that a particular kind of teaching, oratory, or scheme of government is altogether new is likely to find, if he delves into history, that some one else put the pet theories into practice centuries ago. "New" is a relative term.

The author of this volume does not, therefore, dare to label his offering on the big subject of salesmanship as something altogether new. He believes that there has been, from the earliest age, some good salesmanship, as good as any that is practiced today. He also realizes that there is in our day a great deal of poor salesmanship, as poor as ever existed.

But the new and better salesmanship has had a remarkable growth in our day. There is more of it, because there exists now such a recognition of its need as never before existed.

This book seeks to define and illustrate the better kind of salesmanship. As far as is possible, it is a review and a presentation of those principles and methods that have proved effective.

It is hardly possible to prepare a business book and avoid academic discussion altogether, but in building this book its author has sought to be a reporter and an editor, drawing on a field rich with experiences, rather than to record merely his own views of salesmanship and sales management.

Of books that discuss salesmanship and the management of salesmen and confine the discussion largely to principles there are a plenty. Kept within bounds, discussion of principles is not out of place.

On the other hand, the author and the publishers came to the conclusion before a page of this book was written that the demand today is for a volume that defines not merely sound principles of salesmanship and sales management, but for a review that shall show how these principles have been applied and what the results of the experiences of hundreds of successful sales organizations have been.

There is no denying that an older type of salesmanship—if it can be called such—has been rapidly declining, though it cannot be accurately said that this kind of selling effort exists no longer. Reference is made to the kind of salesmanship that relied largely or wholly on the individual rather than on organized effort. “Born salesmen” were sought and turned loose into their fields to work largely according to their own inclinations.

A keen sales manager, speaking before a group of business men a few years ago, said: “We would not take a man down to Sandy Hook on a ship, put him in the pilot house and say merely ‘Sail, sail, just keep right on sailing.’ We know that such a man would get nowhere, for he is not starting anywhere. He has no plan, no route. Yet that is just about what many sales managers or business managers have done. They have turned their men loose at Sandy Hook. They didn’t say ‘Sail.’ They said ‘Sell, sell, just keep right on selling.’”

Attractive personality, the ability to talk well, a large acquaintance, a liberal expense account, samples, catalogues and price-lists. These were the essentials, in most cases, in what may be called the Old Salesmanship. Of the “good fellow” type of salesman, he who could tell many funny or racy stories, who was popular along his route, there were a legion.

It would not be accurate to hold that good personality and popularity are not today just as important qualifications as they were in any other business period.

But marketing needs have long ago come to the point where something else must be added to good personality and mere popularity. No business concern needing a large number of salesmen today can rely on finding a sufficient number of

“born salesmen.” It must decide as to the type of man or woman needed for its selling department, perfect a method of recruiting suitable candidates, and then establish a system of training and directing this organization, so that it may properly carry forward the aims of the management. In other words, the new salesmanship, which has been growing at a rapid rate, is more than a natural aptitude for selling, more than a good personality, more than a fair knowledge of goods and of people, more than individual ideas and energy.

The new salesmanship, in any organization worthy of the name of a sales organization, means, in brief, a search for and a summing up of all facts, principles, methods or mediums that will likely increase the sale of the product or service to be marketed; a means of finding the most suitable men or women for the sales work; a scientific method of training and directing the efforts of these persons, so that every member of the organization may profit by the sum total knowledge and experience. And “experience” means not only the experience of the one organization but all other experiences that can be looked into and made useful.

As a matter of course, salesmanship and the management of sales effort assume many widely varying forms, according to the field of work. A system of selling agricultural machinery at country fairs will be quite different from the methods that are effective in selling high-grade investments. This does not change the fundamental truth that the salesmanship of today must be organized effort—if good results are to be had at a proper selling cost.

The consuming world has made itself heard in the last decade with reference to the costs of selling—to the high margin of expense that the ultimate user of the article has to stand. Both producer and consumer are insisting that they should receive a larger part of every dollar paid—that middleman’s profits, or selling expense, be reduced.

Sales expense of one kind or another is inevitable where large quantities of goods are to be sold and perhaps to consumers living over a wide area.

But if men with things to sell—whether those things be electric current or adding machines, rain coats or red motor-

cycles, children's shoes or salt mackerel—mean to serve themselves and the consuming world better and justify their existence, there must be a better understanding of the newer kind of salesmanship, the brand of salesmanship that means more sales, better sales, and, consequently, more satisfying service to both producer and consumer.

In preparing this review of modern sales practice, as he sees it, the author was aided greatly by the publishers of *Printers' Ink*, *System*, *Sales Management*, *Business*, *Marketing*, *Administration*, *Advertising and Selling*, *The New York Times*, *Motor World*, *The Retail Ledger*, *Talking Machine World*, *Personal Efficiency*, *Electrical World*, *Standard Farm Papers*, and other obliging publishers, who permitted the use of summaries of helpful business experiences, printed originally in their columns. Without this courtesy, it would have been difficult to have assembled such experiences as are referred to in a number of the Sections.

Very helpful also were the Association of National Advertisers and the Dartnell Corporation in furnishing informative data on a number of live questions.

To these friends and to scores of other obliging correspondents who generously contributed valuable facts out of their hard-earned experiences, the author gratefully expresses his appreciation. All their names should be given but for the fact that the list would cover many pages, so numerous were the questioning letters sent out while the material between the covers of this volume was being written.

S. ROLAND HALL

COLLEGE HILL, EASTON, PA.

October, 1923

CONTENTS

	PAGE
GROWTH OF THE NEW SALESMANSHIP	v
CHAPTER	
I. ORGANIZATION.	1
II. DISTINCTIVE SALES POLICIES	43
III. REVIEW OF DISTRIBUTION PROBLEM.	60
IV. COSTS OF SELLING.	106
V. RESEARCH AND ANALYSIS	137
VI. STATISTICS, CHARTS AND RECORDS.	201
VII. RECRUITING OF SALESMEN	267
VIII. EDUCATION OF SALESMEN.	307
IX. SALES MANUALS AND COURSES	358
X. DIRECTING AND DEVELOPING SALESMEN	403
XI. COMPENSATION PLANS AND CONTRACTS.	480
XII. QUOTA SYSTEMS AND STANDARD TASKS	502
XIII. SALES CONTESTS.	522
XIV. CONVENTIONS AND CONFERENCES	559
XV. SALESMEN'S REPORTS AND LETTERS	599
XVI. SALESMEN'S EXPENSE ACCOUNTS.	629
XVII. THE AUTOMOBILE IN SELLING.	636
XVIII. DEVELOPING INQUIRIES OR LEADS.	647
XIX. SAMPLES AND SAMPLING	671
XX. DEALER HELPS	696
XXI. WHAT A SALESMAN SHOULD KNOW ABOUT CREDIT	732
XXII. PLANNING AND USING ADVERTISING	744
XXIII. SALES PLANS AND CAMPAIGNS	771
XXIV. SUCCESSFUL SALES TACTICS.	842
XXV. BECOMING A MASTER SALESMAN	896
XXVI. WOMEN IN SALES WORK.	936
XXVII. TELEPHONE SALESMANSHIP	945
INDEX	951

HANDBOOK OF SALES MANAGEMENT

SECTION I

ORGANIZATION

WHAT SALESMANSHIP HAS DONE

Salesmanship, which includes advertising, letter-writing, merchandise-display and other forms of promoting, as well as selling by word of mouth or by personal demonstration, is responsible for a large part of civilized living and modern methods of doing business.

Salesmanship, the co-worker of invention, has taken the product where the inventor left it and converted the world to its use.

The Salesman as a Business Missionary.—"Most cash registers are sold; only a few are bought," said a former sales manager of the National Cash Register Company, meaning that in nine-tenths of cases the salesman plays the part of a business missionary and must show the prospective buyer the function of a cash register before there can be a sale. The same thing may be said of life insurance and many other commodities. The ultimate consumer does not realize his need for the service or the article and takes no step toward purchasing until salesmanship has done its work.

Now and then some idealist paints society as being in that highly informed and tranquil state where no selling is required, where every one knows what he wants or ought to have, also knows all about meritorious commodities and voluntarily takes steps to fill his needs. The practical observer knows, however, that this ideal state is never reached. The man who is making

automobiles is too busy, if he is very efficient in that field, to learn all about shoes or office furniture. Even when he, in a general way, realizes his needs for such goods there is still a real service to be performed by some salesman.

Salesmanship Changes Habits.—Men are creatures of habit. We shave with the old-style razor and with shaving soap until salesmanship converts us to the use of the safety razor and to shaving powder or cream.

We write laboriously and slowly with a pen until the necessities of business and the argument and demonstration of the salesman make us see that a typewriter is a real economy.

The farmer plows with his single plow and horse, plodding day by day down the furrow behind his horse until salesmanship shows the superior service to be performed either by the sulky horse-plow or the tractor with the gang-plow.

The telephone and the electric light and power current, in one decade regarded as luxuries, become in the next decade staple commodities, and in many cases necessities—largely through selling effort.

The Broad Scope of Selling.—Getting beyond the field of physical commodities, the principles of salesmanship find their way into every movement where men must be persuaded that certain actions are advisable. The general manager who seeks to persuade his board of directors that some action is desirable employs the principles of salesmanship. So does the teacher, the preacher, the politician. For salesmanship, reduced to its simplest forms, is the science and the art of prevailing on human beings to see certain truths and to take corresponding action. This involves psychology, the art of reasoning, conversational skill, pleasing personality and other factors.

The world owes much to the inventor, but none the less to the promoter or salesman, for invention without human understanding lies on shelves, unused and unappreciated.

Salesmanship, therefore, while manifesting itself mostly in the field of commerce, is of broad scope. It is the great forwarding force.

SALESMANSHIP IN BUSINESS

Dealing with salesmanship as a business force, it may be regarded as one of the major departments or divisions. These may be classified as follows:

1. Financial or capital
2. Manufacturing
3. Salesmanship
4. Transporting
5. Accounting and clerical

These main divisions may be subdivided in various ways. Under manufacturing, for example, may come invention, engineering and production. Under salesmanship may come advertising, letter-writing, window-displays or any other form of effort required for the showing and the consequent marketing of goods, whether to wholesaler, to retailer or direct to the consumer.

Dependence of One Department on Another.—It is not the purpose here to enter into a long-drawn-out description of the various divisions and subdivisions of business.

Unfortunately, too often the author of a book dealing with one department of a business allows his enthusiasm to run away with him and makes it appear that a certain department is more important than the others. It is idle to attempt to decide whether capital, labor, machinery, the inventor's brain or the salesman's effort is the most important factor. Such a discussion soon resembles the old argument about who is entitled to the greatest amount of credit, the hen that lays the egg or the hen that hatches the egg into a live, marketable chicken that may take prizes at a poultry show.

Enduring success, from a sales standpoint, can be built only on a meritorious article. Therefore, the inventor's brain and manufacturing ability are required. Manufacturing can scarcely proceed on a successful basis without necessary capital. Hence, the man of capital is an essential. And business requires good advertising, good letter-writing, good accounting, credit facilities, efficient transportation, or else the best of salesmanship will be hampered and fail to build profits.

The great variety in manufacturing enterprises, wholesaling, importing and retailing brings about many different kinds of organization. In some cases, the business of pro-

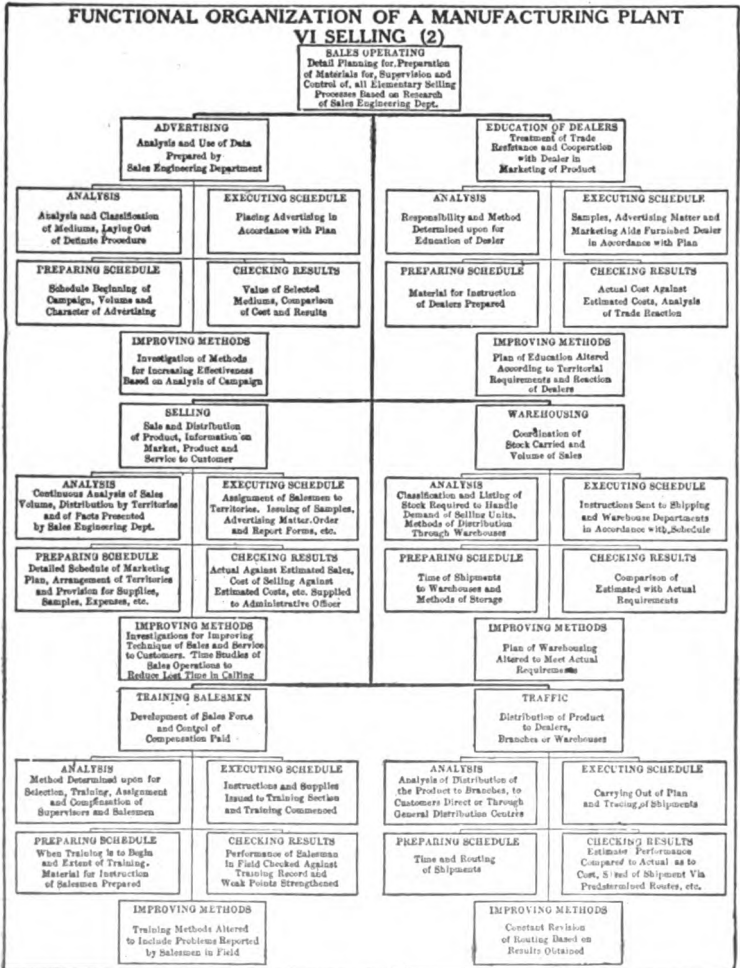


EXHIBIT 1.—An elaborate chart, showing the functional organization of a manufacturing business, with particular application to the selling department.

ducing coal and cement, for example, the producer who is not convenient to his field of supply or who does not have

economical transportation is greatly hampered. In some other business, goods may be shipped conveniently and safely by mail and the distance from headquarters of the business to the sales field is of no great consequence. Hence, transportation facilities call for more study and effort in one organization than in another.

The charts in the exhibits of this Section illustrate the relationship of salesmanship to the other departments of business, in a variety of enterprises.

Bearing of Location of a Business on Its Sales Success.—Location of a business enterprise is a fundamental that can be considered in detail only in some treatise devoted to the establishment of a business. Nevertheless, as location often has a potent influence on sales, the topic calls for brief treatment.

A business may fill such a need that it can be established at almost any point and still reap success. Eastman's Business College at Poughkeepsie, N. Y., is not in a large business center and yet it has been one of the most successful of business schools. Harrisburg, Pa., is not a mechanical center and consequently carries no prestige as such, yet it is the home of the Elliott-Fisher typewriting and accounting machines—very successful products.

Granting that these exceptions exist, when a new business is to be established or enlarged, its promoters should consider every possible advantage—location included. "Location" is used here with particular reference to influence on sales, rather than its importance with reference to nearness to raw materials, ample labor supply, and so on.

A Detroit, Mich., address carries particular prestige, and Detroit is also a convenient market, if the product or service is one closely allied to the automobile, or any other product of mechanical engineering.

A new Portland cement company, established in a region already amply served by existing cement companies, would have grave difficulties to overcome. The product being a heavy one, its sales market must to a large extent be in nearby territory. Therefore, an important consideration is the matter of the territory to be covered by the sales force. Long-range selling may increase sales and traveling and transportation expense

to a degree that makes profitable marketing impossible or difficult.

Often local influences play a large part in sales success. The cement, fertilizer or farm-machinery plant located in a prosperous state may appeal, with some degree of success, to the residents of that state as a home product, though this influence should not be counted on too heavily. The various sections of a great country now trade too freely with each other for trade relations to be hide-bound, even by state pride or interest, unless the product or service sold is equal to that obtainable elsewhere.

Simple Fundamentals for Successful Marketing.—A former president of the Associated Advertising Clubs of the World, Charles Henry MacIntosh, who is also well known in the educational field, lays down the following platform as containing the necessary fundamentals for successful marketing:

1. A market in which to sell certain goods.
2. An efficient factory in which to make the goods.
3. The goods.
4. A real sales force.
5. An office force imbued with the spirit of service, able to build and hold good-will by the manner in which they handle orders, collections and complaints.
6. Able administration, to create and coordinate all activities.

This is a simple platform but really gives the substance of all that an elaborate chart might show.

ORGANIZING FOR SELLING

It has been scarcely a century since it was easily possible for a man to produce nearly if not all of what he ate and wore, his fuel and, to some extent, the tools with which he worked.

Selling was then at its simplest stage, and the things sold were more often luxuries than necessities. Salesmanship was largely an individual performance, requiring little organization.

Salesmanship Keeping Pace with Civilization.—The progress of civilization has brought about more specialization. The type of man who once wore clothes and shoes produced on his own estate or by members of his own family today very likely

does not produce more than half of what he eats, possibly not even half. He has become a specialist, confining his attention to one branch of business or one profession and concentrating his efforts on that, buying the products and services of others to supply his varied needs.

Even the farmer has become a specialist and nowadays produces only a small part of his general supplies.

This has resulted in a complex field of selling. Commodities have multiplied and remultiplied, so that today the consumer does not know intimately more than a fraction of the services or products that have been created for him. Competition has become keen. For the man who can afford to pay from \$1,000 to \$2,000 for an automobile, there are dozens of machines presented for his choice. The great increase in periodicals, the growth of transportation, the improvement of roads, the extension of telephone and telegraph, the development of moving pictures and radio telephony, the spread of the rural delivery of mail and the parcel-post system, and, last but not least, the universal desire for comfort, pleasure, style and the like, have created a vast, complex market that calls for thoroughly organized salesmanship.

THE NEED FOR SALES ORGANIZATION

One dictionary meaning of "organization" has a happy relation to selling effort: "Systematic union of individuals in a body whose officers, agents and members work together for the common end." In no kind of undertaking is a working together for the common end more important than in sales campaigns.

An enterprise in which there are only two or three individuals whose efforts are devoted to selling and where there can be close personal relationship and frequent conference, has need for little organization, so far as defining of duties, relationship of different departments, and so on, are concerned. But such defining and establishing are merely the evidences—the charts or pictures of organization. "Organization" primarily has the broader meaning suggested by the preceding paragraph. Organization comprehends the mapping out of

plans, and ways and means of carrying out such plans efficiently. Charts, rules and bulletins are merely records or pictures of what has been established or agreed on.

Organization as a "Game."—It has been said that "organization" has become a national pastime, almost a passion, among American business men. Men of strong individualistic turn are inclined to ridicule organization and to put it down as evidence of a boyish spirit when an acquaintance begins to spend considerable time on the organization topic and to fill his desk and the walls of his office with charts and records of various kinds. It is, of course, easily possible for one to go too far in giving of time and attention to organization charts or pictures. Something is wrong when more thought is given to how functions and operations should be mapped or planned than to execution of plans. And yet, on the other hand, a great deal of effort in the sales field, as elsewhere, is wasted because men do not have a clear idea of what they are expected to do and how their work relates to the work of others. No good mariner starts on a voyage without knowing where he is going and what he is expected to do when he gets there. Few men are strong enough to proceed entirely on their own individual ideas and get the maximum result from their efforts while, at the same time, not interfering or lapping on the work of others. Any large undertaking carried on without reasonable organization will bring about chaos.

Need for the "Game" Spirit.—As for the criticism that organization is evidence of boyish spirit, it should be remembered that a great deal of the game spirit enters into work of all kinds. Business needs the spirit and the planned tactics of the game as much as the football contest or the military campaign. The well coached football team has its campaign planned in advance—its series of plays, its codes of signals, its knowledge of the opposing team. The able military commander has his maps, his information from scouts, a full knowledge of the strong and weak points of the enemy. He has corps of assistants, each with authority properly delegated. A military campaign run in any other way would result in massacre for the unprepared. Business has as much need for intelligent direction as warfare.

It is also argued by the opponents of organization that the highest type of worker ought not to be restricted, that he will soon outgrow any limit that may be assigned and make a chart out of date. This is a minor objection. In the first place, there are so few of the highest type of men in any organization that ways and means can be found for the fullest use of their ability while, at the same time, not disorganizing the whole plan. Such men find the right kind of planning an aid, a direction to their growth, rather than a hindrance. Not even the greatest star on a football team can be allowed to roam the field at will, without regard for the plan of the game as a whole.

Well balanced executives will guard against excessive organization, will see that conference is properly balanced with performance and that there is no mass of rules, records and systems to strangle individual initiative.

Value of Charts in Organizing.—Some men can read the printed word or hear the spoken word and immediately picture in their minds the effort described. Others must see a map, a layout, or a picture in order to grasp the thought readily. Such persons are referred to as “visual-minded,” and there are many of them.

Furthermore, even the man who can see plans in his mind gets a better idea of them when they are reduced to figures or lines. The very act of making a visible record of them increases their impressiveness. Take the expression: “It is like putting a quarter of a dollar beside the towering Woolworth Building.” Show a drawing that indicates the relative height of a 25-cent piece with the height of the Woolworth Building and the illustration is immediately made many times as impressive.

Many an executive, thinking his business fairly well organized, has attempted to chart it only to find that his organization, so called, is a loose one with overlapping, with authority undefined, cooperation lacking and so on.

Consequently, while keeping clear of impractical planning and charting, it is important to have layouts or charts that indicate the principal functions and relationships, that visualize the various responsibilities and efforts. It has been

suggested by one able business writer that business organization charts should meet these five requirements:

- “1. Indicate clearly the lines and limits of authority.
2. Indicate clearly lines and limits of responsibilities.
3. Properly group related activities.
4. Clearly differentiate between duties.
5. Convey the impression of unity of effort.”

Purposes of Sales Organization.—H. G. Kenagy, in a Bulletin of the Bureau of Personnel Research entitled “Problems of Sales Organization,” has put down the following as some of the “yardsticks,” or purposes, of good sales organization:

1. A division of functions in the home office that eliminates friction, red tape, wasted time and lost motion— and by which the functions of every official are carefully and accurately defined. Perfect routine liberates creative effort.

2. A low mortality of customer-accounts, denoting the existence of good-will and confidence; increasing sales year by year to old outlets; an increasing number of new outlets, or an increasing volume of new accounts.

3. A lower turnover rate among salesmen and other employes, by eliminating preventable causes. This would indicate that selection, training and supervision were being taken care of intelligently. (There is such a thing as a healthy turnover, indicating that poor material is being constantly eliminated and that good salesmen are being promoted.)

4. The development within the organization of men capable of holding executive positions. When a company must go outside its own organization to secure a capable executive, it is *prima facie* evidence that something is vitally wrong with its methods.

5. An ever-decreasing percentage of sales expense.

6. Lines of communication which bring in all possible information from the field, and, after it has been studied, recorded and interpreted, make it available in useful form to the field.

THE RESPONSIBILITY FOR SALES

In that type of organization known as a “one-man organization,” whether it be large or small, there is one dominant individual in whom is vested the main authority and responsibility for sales as well as for every other important activity— financing, production, delivery and so forth.

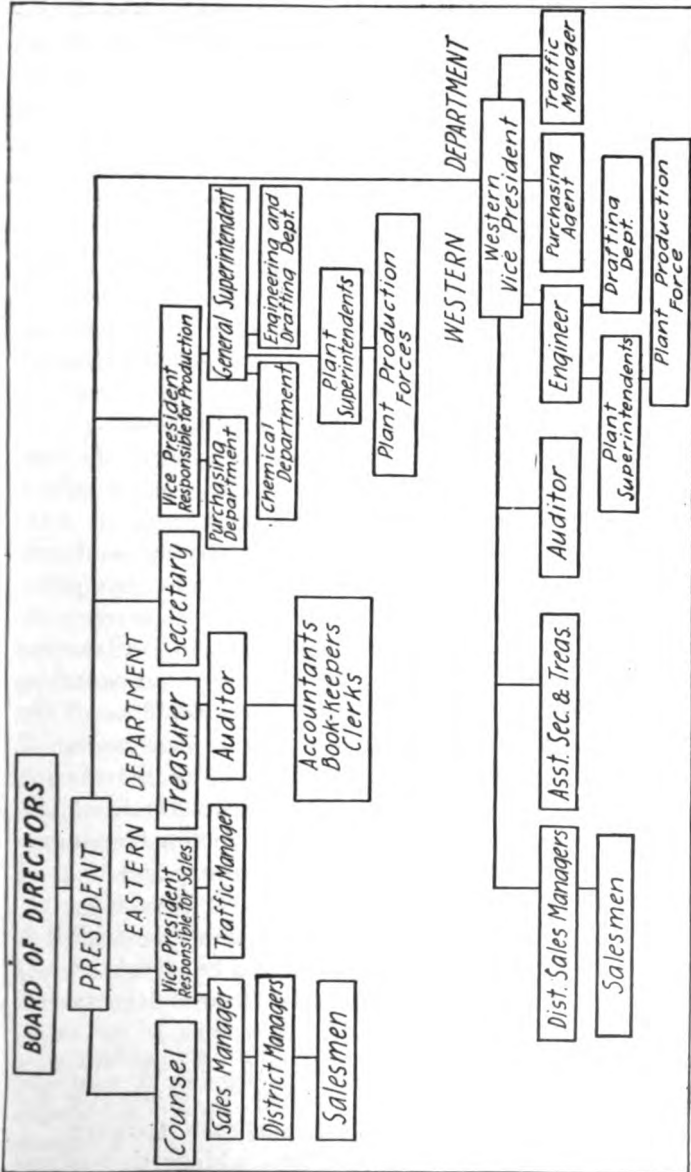


EXHIBIT 2.—Organization chart of a large industrial manufacturer producing a building material. In the Eastern territory the responsibility for sales is carried by one vice-president and the responsibility for production is carried by another. In the Western department one vice-president is responsible for both branches of the enterprise.

Advantage and Disadvantage of One-man Control.—It cannot be denied that there are many successful enterprises of this type, where the fullest rein is given by stockholders—if there be stockholders—to a man who has proved his all-around competence not only to produce an article or service but to direct its distribution or sale. Those who read this volume can recall many names that have stood out strongly among manufacturers or merchants—men whose close supervision of all important departments of their businesses is well recognized.

The strength of such an organization rests in its freedom and simplicity. The “man who can” is free to go ahead without time-consuming conferences and the necessity of having his acts approved by a number of men of different views.

The weakness of this form of organization lies in the fact that few men excel in the management of all departments of a manufacturing, a wholesaling or a retailing enterprise. Furthermore, the death of an individual carrying so much responsibility would endanger the future of the enterprise.

Division of Responsibility.—The modern trend seems to be in the direction of the other type of organization—a business so planned that while there may be a master-mind or strong executive at the hub of the wheel, the responsibilities of the enterprise are distributed among a number of men—a man of engineering ability and experience for the department requiring this asset, a man of financial ability for the capital or accounting end, men of pronounced ability in production, buying or transporting for these important departments, and men of skill in distributing for the advertising and selling ends.

Such a business is indicated by the chart shown in Exhibit 2. This business, which is that of producing a building-material of staple character, has an Eastern and a Western department. In the East there is a vice-president responsible for sales, under whom operates the sales manager. In the Western department, the Western vice-president is responsible for production, as well as sales, and there is no sales manager.

Marketing Boards and Committees.—Modern business organization does not stop with the specialization already described. The solution of the problem of distributing or

selling, like that of financing and production, is likely to be one to which a number of men can contribute, though perhaps not possessing all the wisdom and experience that may be requisite. Therefore, it is common today to have the marketing end of a business supervised by a commercial committee, a selling board or a sales department, which is supervised either by a general manager or by a vice-president or other officer charged with the immediate responsibility of seeing that sales are properly built up and maintained.

Such a committee, board or department seeks to draw and use not only all the ability of its members but all that may be learned from a constant study of the field—from the salesmen who are on the firing line; from retailers, it may be; from correspondents, competition, the daily, weekly or monthly press, private researches and statistical data.

This department of business must, of necessity, work in close cooperation with the production, credit and transportation departments.

Committee- and board-control also has its advantages and disadvantages. It brings various minds to bear on problems but often complicates and delays decision and brings about an inconsistent practice.

Exhibit 3 shows the organization of a well-known tool and die manufacturer. Here the sales authority is vested in a Plan Board, whose chairman is general manager of the company. It will be observed that there are separate sales managers for the principal groups of products, a sales promotion manager, and an export sales manager.

Organization of Ralston Purina Company.—In reproducing the Ralston Purina Company chart of home office organization, Exhibit 4, Mr. Kenagy, of the Bureau of Personnel Research, makes the following comments:

Is geographical, functional or product sales management the best type of organization? In few cases is there a distinct plan corresponding wholly to any of these. But some companies incline strongly to the one or the other. Many are a combination of two forms. The Ralston Purina Company combines geographical and product sales-management. The division sales managers—home office executives—are responsible for the total tonnage of all chows

ORGANIZATION CHART OF TOOL AND DIE MANUFACTURER

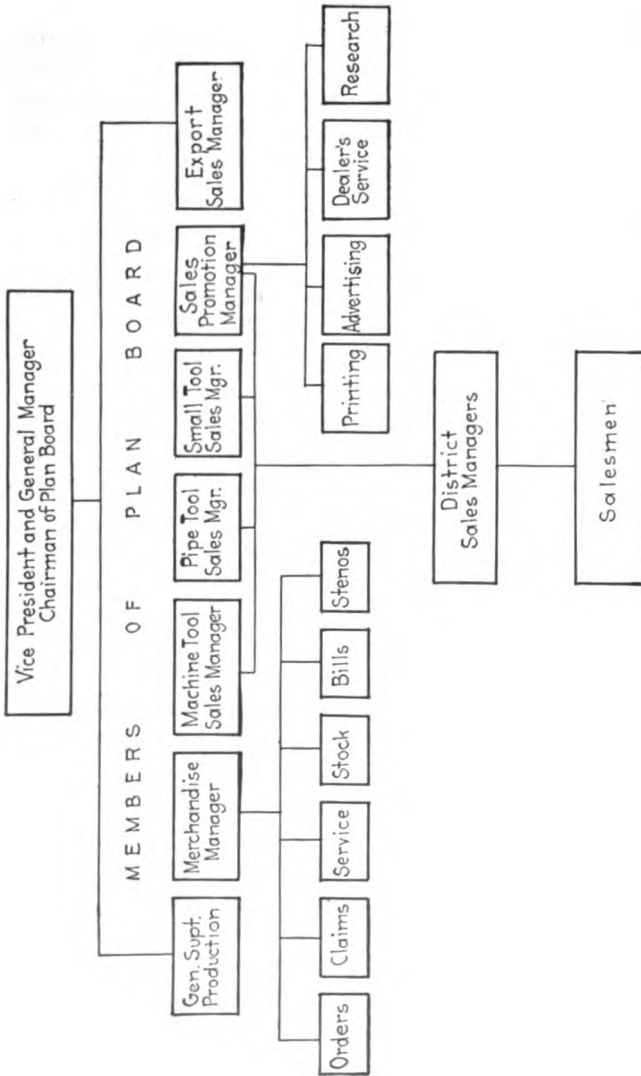


Exhibit 3.—The manufacturer whose organization is here charted finds it expedient to have sales managers for four different groups of products, also an export sales manager and a sales promotion manager.

SALES ORGANIZATION CHART
PURINA MILLS ST. LOUIS, MO.

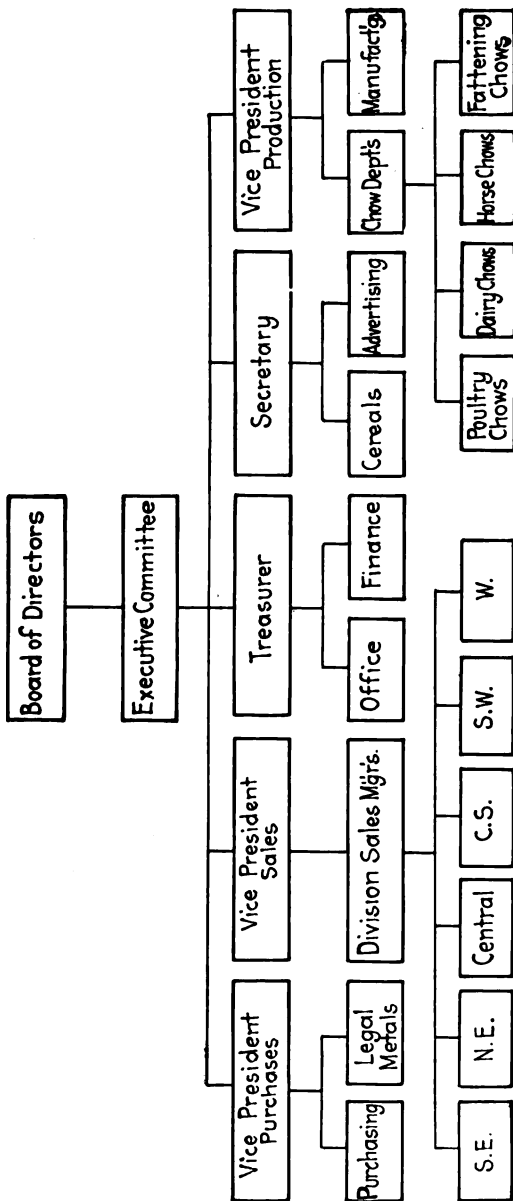


EXHIBIT 4.—Chart of a sales organization that combines the geographical and the product sales management.

expected from their territories for the year. The department managers are given quotas based on the total tonnage expected from the whole country for the chows for which each department is responsible. The division managers manage salesmen and handle all relations with dealers in their territories. The department heads are responsible for the kind and quality of the chows, for the number of items in the line, for furnishing dealers and salesmen, through the advertising department, with various selling helps and for the presentation of scientific feeding and sales information to salesmen, demonstrators and dealers, through house organs and conventions. In this arrangement, the department heads, working together, form a sales promotion division. The sales managers take care of the operations—the actual sales and business relations with the field. In this sense the organization becomes functional also, except that the hiring and supervision of demonstrators is an operating function.

A good example of the combination of functional and product sales management is the organization of the sales departments of some large rubber companies. It is true that these companies have geographical divisions and division managers, but all are controlled and coordinated by the general sales manager and his staff. The home office staff is composed of experts on particular lines of products who function in the dissemination of the best methods of selling their particular products. Each division manager has a corresponding staff of experts. They do not do sales-promotion work, for they have no direct relation to dealers. The functions of these home office department heads are the same. They might all be grouped together. The other functions are performed by other staff officers, such as the advertising manager, the manager of mail sales, the manager of foreign sales, the manager of sales personnel, the director of branch operations, and so on. Under the director of branch operations, the division of duties is strictly along functional lines.

Should Sales Control Be Centralized or Decentralized?—

This question can be discussed in only a general way, because after all the answer depends on the type of business to be forwarded. There are businesses successfully operated on the plan of appointing branch managers or territorial agents, who are allowed to manage their work much according to their own ideas, with only a few restrictions. In some cases these men are allowed to go even so far as to determine prices. The theory here is, granting that a capable man has been appointed, he is better able to select men and to train them

for the work required in his territory than an arm-chair general at the home office. "Results are what we want" say those who favor such organization, "why have rules and red tape?" An argument for this kind of organization is that different parts of the country require different types of men and methods—that the South and West, for example, may be handled with men of the breezy style who would be unsuccessful in the more conservative sections of Philadelphia and New England, where social relations, birthplaces and educational qualifications play a larger part.

In striking contrast to this are the methods of a large tobacco company, whose plan and methods are described as follows:

In this company, the field organization begins with district sales-managers. Each such manager has reporting to him four field sales managers or head supervisors. Each field sales-manager has under him five division managers. Each division manager has under his immediate supervision five retail salesmen. For each and every salesman there is laid out a definite, and in some respects hard and fast, daily task, so much so that it has been reduced to a mathematical equation— $X = a$ day's work. The following things among others are specified: Time of starting to work in the morning; what stock and what stock only to carry; the exact route, which must be covered strictly in accord with the schedule furnished by the home office. It specifies that the salesman must call upon at least five retail dealers before 11:45 A.M., that he must put up an advertising poster in each store where he calls, using a six-point demonstration to secure the dealer's acquiescence, that he shall conduct a demonstration in at least two stores on a designated chewing tobacco brand and a cigarette brand. He is required to use the company's demonstration methods and sales talks all of which he has had to memorize word for word. And so it goes until every item of the day's work is specified and set up for him. Division managers check up carefully every detail of the salesman's performance, and are themselves checked up on the way in which they do this checking.

A Happy Medium in Management Plan.—Between the two extremes, referred to in the preceding pages, are organizations that centralize the control of sales work on the major matters, while leaving minor methods largely to supervisors, branch

office managers, state agents or other employes of larger responsibility.

It seems obvious that many firms could not leave such vital matters as prices and guarantees to the individual salesmen. Many companies have demonstrated, through costly experiences, that they can, at their central offices, establish quotas and conduct contests much better than branch offices could possibly do

There is no reason why a properly qualified home office department should not send to any section of a sales territory the type of man who is well qualified to work there and who can work well with the branch manager. There is no reason why the branch-office manager cannot cooperate with such a plan by aiding in the selecting of such men, having them at the same time get the benefit of the home office training. It stands to reason that the home office, being able to draw experience from all fields, is better able to concentrate on the big problem of proper training.

An Instance of the Value of Better Organization.—A well-known product made in Ohio is carried by about 80 per cent of the retailers selling that class of goods. Some additional products put out by this manufacturer did not attain equal success. A study of the reasons for failure brought to light that although there was an experienced sales manager and division sales managers who had charge of all products in each of the territorial divisions into which the country was divided, also district managers, field salesmen and missionary men trained in selling the company's older products, there had been no special preparation or new organization to take care of the real work of marketing a new product. No separate product sales plans had been formed after careful and competent market study. There was no direct-product control of operations and no direct-product accountability for results.

Under a reorganization, the old sales organization was divided so that a part of it could push the original product only, and another part, under the direction of the general sales manager, the sales of the new products. The work of these two departments or divisions, both under the supervision of the

general sales manager, was laid out in such a way that they were not competitive. The result was a concentration that produced results. See Exhibit 5, which indicates the new plan.

Instance of Gain by Centralization of Sales Management.—The Dennison Manufacturing Company centralized sales management after three years' study of its sales and merchandising problems.

The products of the company were divided into five principal groups, and merchandise committees of nine from each group served in an advisory capacity to the executive responsible for each assortment of products. The most important dis-

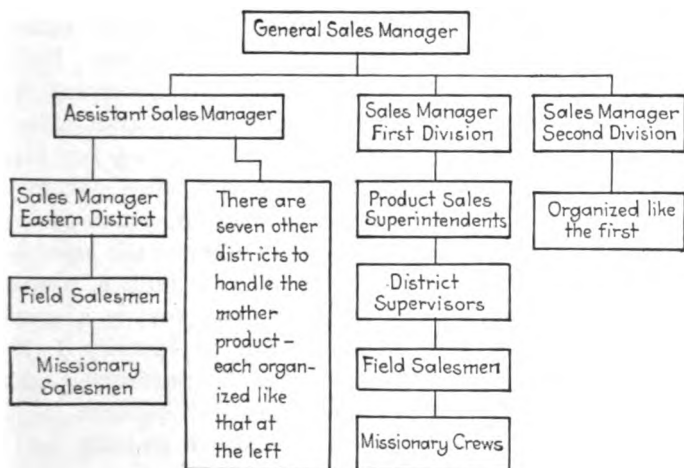


EXHIBIT 5.—Sales organization chart, published originally in *System*, illustrating arrangement, or reorganization, that makes divisional sales managers responsible for the sale of new products.

This organization brought about a decided improvement in sales over the figures obtained in the old form of organization when the new products were merely added to the "mother product" and sold under one general jurisdiction or responsibility.

covery made during the firm's study of its sales history was that the long-trip salesman and the sales manager with scattered territory accomplished the least. Under the new plan, the territory was divided into five districts, with its own sales manager for each, was redivided into small units and the entire management centralized in headquarters. Sales managers then made trips to their territories at intervals

of not more than four months, thus giving them plenty of time for overseeing the field as a whole. Each local manager's time was so arranged as to allow time each week for selling. This arrangement for traveling added to the efficiency of the personnel and made a welcome change for the men.

(Summarized from *Administration*, 1921.)

The Burroughs Company's Change to Direct Control.—The Burroughs Adding Machine Company for many years operated its selling activities and its service system through a chain of district offices and sales agencies scattered from coast to coast. Each of the district offices exercised a managerial control over a definite region of territory called a district and over the sales agencies in that region. By this plan the current of sales control had flowed, so to speak, from the factory to the district office, from the district office to the sales agency and from the manager of the agency finally to the individual salesman. This district office system had been built up over a period of years during which time the selling offices had grown to more than 200 and the sales force to an organization of nearly 2,000 men. Exhibit 6, prepared by the Burroughs Adding Machine Company, is a graphic illustration of the Burroughs plan up to January 1, 1923. Frank H. Dodge, general manager of the Burroughs Adding Machine Company, in sketching the development of this well known sales organization is quoted recently in the *Business* magazine as follows:

There was a time in this business when the company operated only one sales office outside headquarters. Then, as the business grew, the company established other offices, other sales agencies; and then, to control these agencies, the home office began to establish district offices and to delegate to those district offices some of the managerial and supervisory authority. This development went on until there had been created a total of ten sales districts, in each of which, in the largest city in the district, was a central office that carried a dual responsibility. This office sold machines within the city in which it was situated and thus functioned as a sales agency; besides, it exercised supervisory authority over the other and smaller agencies in the other cities in the district and thus it functioned as a district headquarters.

Now, the fact is that in so constituting those early district offices we combined, as we discovered later, two activities that were not

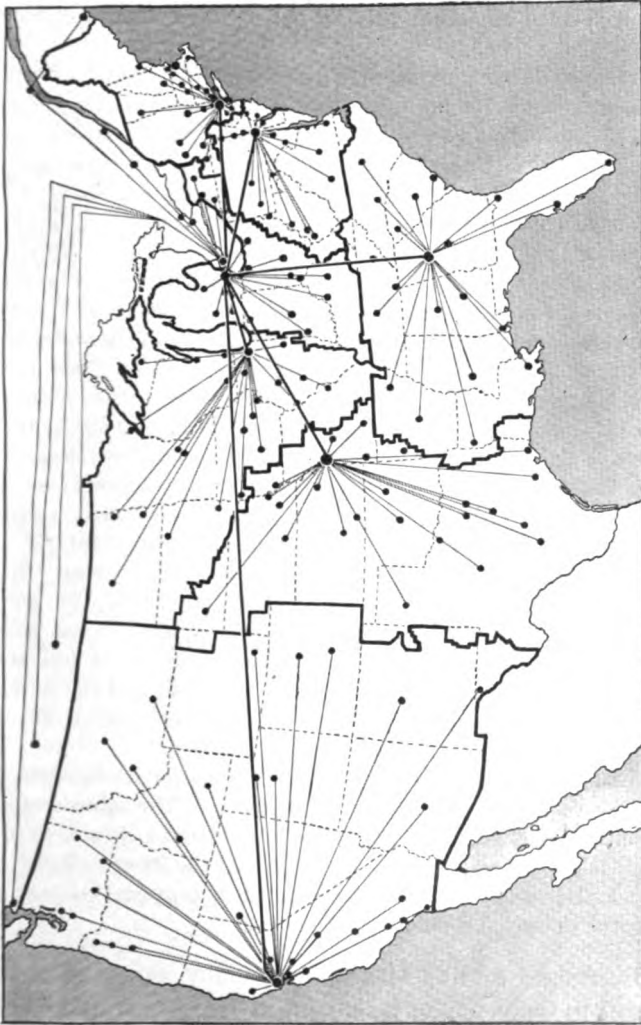


EXHIBIT 6.—The indirect system of control used for years by the Burroughs Adding Machine Company. Nine sales districts, supervised by nine district offices, with the line of control flowing from Detroit through the district offices to the sales agencies.

perfectly compatible. We mixed, or tried to mix, sales and sales supervision; we held each of the district offices responsible for actual

sales within its own selling territory and, at the same time, responsible for executive supervision of the operations of the other agencies in the district. Each of the district offices, as it developed, naturally became more directly and keenly interested in direct sales in its own territory and less concerned about the sales of the agencies it was supposed to supervise.

In fairness to the district offices themselves, to the smaller agencies in the districts and to the business as a whole, we instituted a change. The dual responsibility we divided into two separate responsibilities, and the separate responsibilities we assigned to separate groups of men. We enlarged the districts and reduced their number to five. In each district office city we established a sales agency and to that agency we assigned the responsibility for direct sales in the city. The district office, relieved of direct-sales responsibility, thus became a true district headquarters, with a function wholly supervisory.

Next, as the business grew, we reduced the sizes of the districts and increased their number until we reached a total of nine. New York City, our biggest single sales unit, constituted one district, with its own district headquarters. Another district office, also situated in New York, supervised Eastern New York state and New England. The other district offices, each serving as a sort of capital for a specific group of agencies, were in Philadelphia, Atlanta, Detroit, Chicago, Kansas City, San Francisco and—for Canada—Windsor, Ontario.

That, then, was our general set-up at the end of last year—nine district offices in the United States and Canada, supervising 211 sales agencies and virtually that many service stations, all engaged, sales offices and service stations alike, in rendering service to the business public. And between the company on the one hand and the selling agencies and service stations on the other, stood the district offices, established to act as the connecting links.

As we had planned the field organization, the connective function of each of the district offices was to be threefold. The office was to render selling assistance to the agencies in its district; it was to act as an auditing office, checking the accounts and the inventories of its agencies; and it was to serve as the point of managerial contact in general between the home office and the field.

The Burroughs Adding Machine Company, however, being committed to the policy of training salesmen to sell and training them to give service, began to arrive at the conclusion that such a large far-flung organization was in danger of leaning away from what is termed the "how" end. Both geographi-

cally and with respect to the number of sales agencies, the district offices were covering a great deal of ground, and each of these offices was so completely occupied with its function of general managerial supervision that it seemed likely to become more and more of an executive office and to play a smaller and smaller part as a sales instructor or coach. During recent years the home office had been taking on, to an increasing extent, the job of providing inspiration and selling instruction. But the home office felt that, operating entirely through the mails and through the district offices, it was reaching the men too indirectly.

During most of the years up to 1923 the district offices also had the responsibility of auditing the sales agencies under their control. But the district office men were not auditors, as a rule, and it had become necessary for the home office to build up and send out a force of accountants and auditors, doing this work in the field but being responsible directly to the home office.

As the Burroughs management saw it at this stage of the organization, the third purpose of the district office—that of maintaining managerial contact between the home office and the agencies—depended mostly upon the fulfilment of the other two purposes referred to, sales assistance and auditing. When the home office had assumed the first task partly and the second one wholly, there was left to the districts only a general managerial control that it seemed could be exercised better in a direct line from the home office. The conclusion then seemed to be that if it were physically possible to supervise the agencies direct from headquarters there was no need of retaining the old connecting links. So on Jan. 1, 1923, all district offices were abolished and all agencies were linked direct to the home office, making their reports directly and receiving all instructions direct. In New York, however, because of the large volume of business, and on the Pacific coast, because of the great distance from Detroit, the position of division manager was established, this manager serving as a personal representative of the home office in his district. These are the only general supervisors of sales who are left permanently stationed in the field. The ten largest selling

divisions, after excluding New York, were established as branches. Chicago, for example, which had consisted of four selling agencies, was transformed into a single branch in charge of a branch manager. Several other cities in which there had been two or more selling agencies under the old organization were converted into a single branch. Other cities such as Cleveland, Kansas City, Pittsburgh, which under the old organization had been regarded as one-unit agencies were designated as branch offices in charge of a branch manager, assisted by a branch sales manager.

Under the new system the ten big selling divisions were charged with two important supervisory functions—first, the general executive function, and secondly, the sales executive function. Describing the responsibility and policy of the new organization, Mr. Dodge, the general manager, says further:

The responsibility of the executive manager we have restricted to the one city; we have avoided charging that executive with responsibility for supervision of other units. Besides—and here's the point—we have reinforced every one of these branch executives with a man who, in the service of the company, has displayed marked ability in selecting, training and supervising salesmen. This man is to devote his entire time to the branch sales force; he will select men, teach them the principles of selling, and then get out in the field with them in their own territories and show them how to sell. He's to be the coach.

So much for the bigger units, the branches. There are to be considered, also, the other units, the great number of smaller agencies that, except for the fact that they now report to headquarters instead of to a district office, have remained unchanged. These, too, need the services of a coach. To serve them we have augmented and developed the home office machinery for sales promotion. The department of sales promotion now consists of a crew of men who, operating out of the home office and receiving their instructions from here, travel over the entire country and call regularly on all the agencies.

These traveling representatives, too, are coaches. Each of them, like each of the branch sales managers is a specialist of demonstrated ability in training men to sell. Each of them, when he calls on an agency, goes out with every salesman into that salesman's territory

and coaches him in ways in which he can improve his methods. He assembles the salesmen of each agency into a convention, to tell them

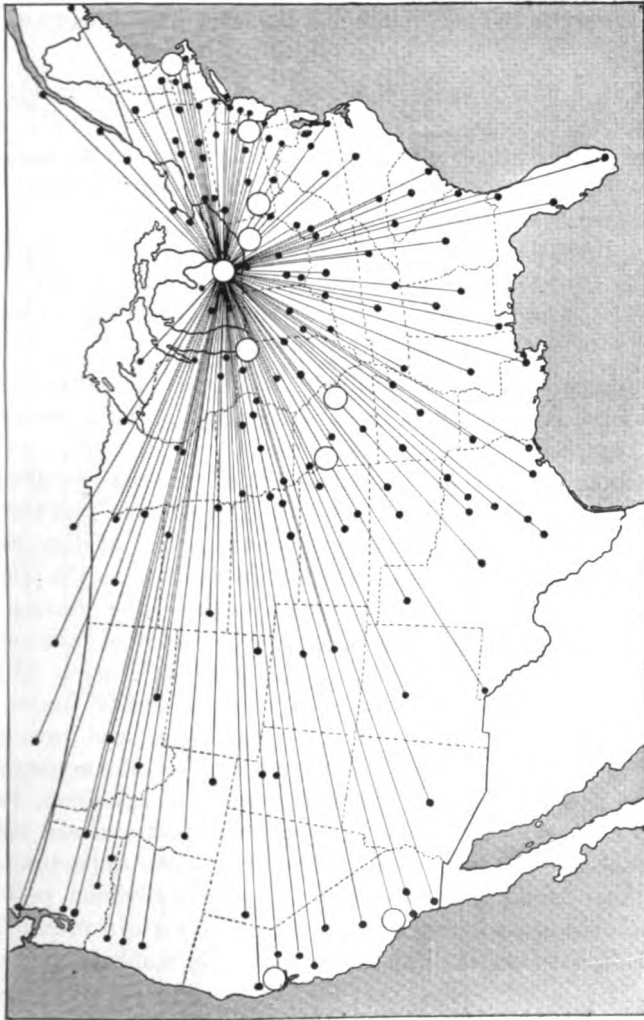


Exhibit 7.—The new centralized control of the Burroughs Adding Machine Company. All lines lead to the home office at Detroit. The white circles represent branches, which are merely transformed agencies, each in charge of a branch manager and a branch sales manager.

of new applications of Burroughs machines; he explains the workings of our territorial records of business enterprises; he sells to the men

the company itself—tells them of our traditions and policies and ideals. Finally, he serves as a gatherer of information; when, in some agency or in the work of some individual salesman, he finds something worth passing on to the whole organization, he reports that discovery to the home office and the home office broadcasts it to the field.

Exhibit 7 is a graphic illustration of the new Burroughs system.

Other Observations on Control and Division of Responsibility.—The Dartnell Corporation, following a study of many sales organizations, makes this comment:

Our inquiry points conclusively to the wisdom of centering the control of the sales force in one strong, big-calibered executive who should be endowed with sufficient authority to enable him to build into his sales plan every element of success.

The Sherwin-Williams Company finds that a sales manager can handle ten salesmen most successfully. This number is also regarded as ideal by other firms.

A number of large manufacturers find it necessary to divide the country into sales divisions. The United States Tire Company places its salesmen under absolute control of the divisional sales managers, thus providing, in addition to the usual branch sales manager, a number of divisional sales managers who have shown marked ability in the supervision of salesmen.

Geographical Sales Division.—The Ralston Purina Mills (see Exhibit 4) divide the country geographically under a certain number of divisional sales managers and provide several product sales managers. These product sales managers have no voice in the recruiting or control of salesmen, but assist with special sales plans for their product and are held responsible for volume of sales in their particular department.

Exhibits 2 and 3 illustrate the territorial-division policy and the plan of assigning sales managers to certain products. Other concerns, like the Ralston Purina Mills, combine the two methods.

Exhibit 8 is the sales organization chart of a large wholesale drug firm, manufacturing a number of products of its own, such as tooth-paste, disinfectant, mouth-wash, as well as doing a general wholesale business. It will be observed that in this

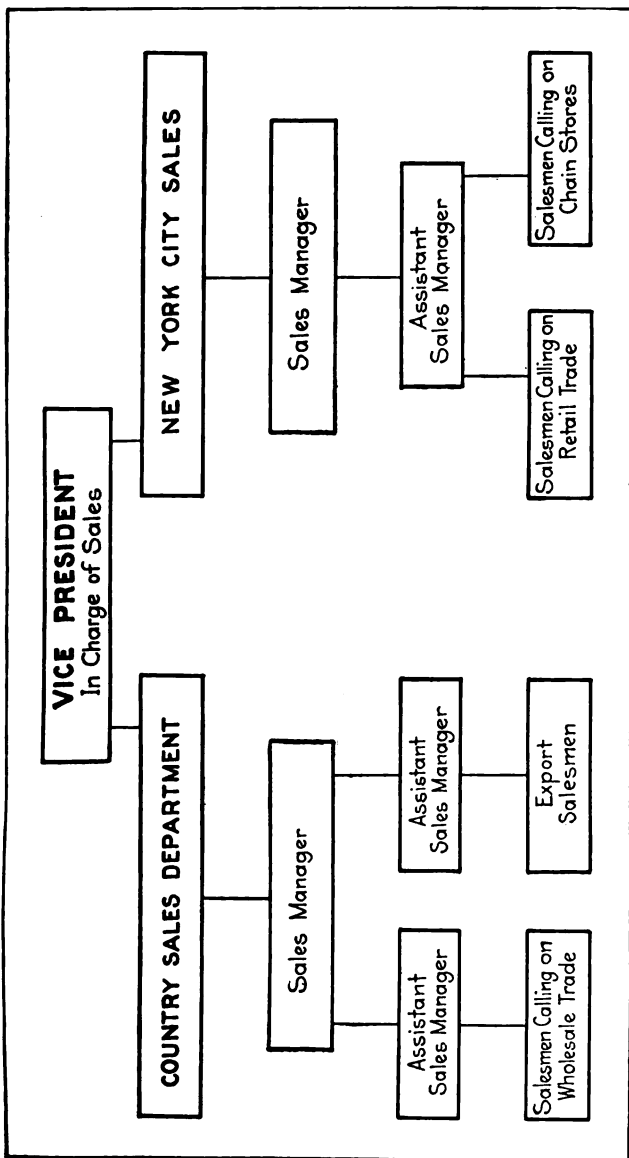


EXHIBIT 8.—Sales organization chart of a large wholesale drug concern.

case country sales-work is organized separately from city work and that there are different groups of salesmen for calling on the wholesalers, the general retailers, the chain-stores and buyers for export trade.

PERSONNEL OF A SALES DEPARTMENT

A sales department of a small business may be so simple that it may be operated by one man, a manager of sales, who may be assisted by a general clerical helper and perhaps a stenographer and file clerk.

On the other extreme is the sales department of large organization, which may include:

- (a) General Sales Manager
- (b) Assistant Sales Manager
- (c) Branch Office Sales Managers
- (d) Advertising Department
- (e) Shipping Department
- (f) House Organ or Sales Bulletin Editor, who may possibly also be in charge of all educational material and plans
- (g) Special or Emergency Salesmen
- (h) Service Men, Lecturers or Demonstrators (In some organizations the service men may be system experts, engineers, or men of other special training)
- (i) Statistical and File Clerks
- (j) Stenographers
- (k) Correspondents and Circular-writers

The usual practice is for such a department to be responsible to the general manager. However, the organization may be such that the sales department is responsible directly to a vice-president or some other executive charged with the immediate responsibility of seeing that sales are built up and maintained.

Supervision of Advertising Department.—There has been much discussion during the last few years about the proper relation and coordination of advertising and selling effort, and there are many good business thinkers who now hold

that the advertising department should be regarded as a section of the sales department and be supervised by the sales manager.

There can be no argument about the need for close coordination. In commercial practice, the object of advertising is either to create sales or to pave the way for sales as well as to create good-will for a business. Unfortunately, in many businesses there is either a sharp separation of the advertising and personal sales effort or else a jealous attitude that prevents sales departments and advertising departments from working closely together. This unfortunate attitude may arise from one department head believing that the other is trying to get more credit than is due him. The sales manager is nearly always inclined to over-value the importance of the face-to-face selling work and to minimize the value of good advertising. The advertising man, on the other hand, is inclined to over-value the power of advertising.

Vesting Authority in One Man.—The solution of this problem is often found in the selection of a man for the promoting end of the business who can be both a sales and an advertising manager.

Another solution is to make one man responsible and to have it clearly understood that the other is an assistant in charge of one section of the selling effort.

No one solution fits all lines of business, because in one the face-to-face selling may be nine-tenths of the work, while in another business advertising may be the principal effort. There are many successful businesses, of course, in which the selling work is done almost entirely through various forms of advertising, in which case the advertising man would be the dominant figure.

It must be conceded, also, that there are businesses in which both advertising and face-to-face selling are so important and in which each branch of work is so extensive that good organization requires that a capable manager be placed in charge of each division and given freedom to work out his plans while being responsible only to the general manager or some other executive who has the responsibility for sales. In such cases, however, the need is none the less urgent for

the best understanding and cooperation. As a writer in *Sales Management* puts it:

If, for instance, the sales department decides that a product should be featured as a necessity rather than as a luxury, then the advertising department should not follow an opposite course.

Like Situation with Respect to Shipping Department.—The situation with respect to supervision of the advertising department by the sales manager may obtain also with respect to the shipping department; or, on the other hand, the shipping end of a business may be so large, as with a large automobile, steel or cement manufacturer, for example, that the shipping or transportation department may rank equally with the sales department and work under a system of close cooperation rather than in a subordinate capacity.

QUALIFICATIONS OF A SALES MANAGER

The success of the selling end of a business must depend in a large measure on its sales manager, or else on the executive of sales-creating ability who makes himself known through his sales manager.

The sales manager should possess:

1. Executive ability
2. Good personality
3. Selling experience
4. Resourceful, open mind
5. Keen observing power
6. The knack of reading and adapting successful methods
7. Ability to understand and judge men
8. Ability to teach and direct
9. Organizing instinct
10. Boundless energy
11. Plenty of tact

Finding the Right Man.—He may be a man who has grown up with the business. He may be a recruit from the sales ranks, promoted because of his leadership qualities. He may be an executive from the manufacturing or engineering end of a business, or from the office end.

Or he may be a man drawn from some other business, because of his recognized ability and experience.

All of these types of men here noted have been eminently successful. So it cannot be said that any one source is the best from which to draw a capable sales manager. There are instances in which an efficient sales manager for an adding-machine enterprise has been drawn from the field of agricultural-machinery, and a man for a talking-machine business drawn from the field of food products. Therefore, while theoretically the man who goes from one sales field to another should enter into a new work that is closely related to his old, it does not follow that similar experience is always essential. On the contrary, the man of good sales ability who enters a field entirely different from that in which he may have been engaged may be less hide-bound, less hampered by tradition or habits of thought, than the other type who has had most of his experience in one line of effort.

A Business Organizer's Estimate of a Sales Manager's Ability.—An expert who was called upon to render an opinion in a sales manager's suit for broken contract, resulting from the charge of incompetence (*Sales Management*, vol. 2, no. 12) gave the following qualifications as those of a competent sales manager:

1. He must be able to lead and inspire his salesmen. Like the leader of a military organization, he must be able to study the peculiarities of the men under him and win their confidence. Having won their confidence and loyalty, he must be able to inspire them to maximum effort. The measure of true leadership is reflected in the ability of a sales manager to get his salesmen to forget their desire for personal honor and put the honor of the team first.

2. He must know how and where to get the kind of salesmen who will prove successful in selling his product and carrying through his plans.

3. He must understand the scientific allotting of sales territories and the methods of fixing sales-quotas and sales-tasks. He must understand the principles of intensive working of sales territory, so that his salesmen will not only get the business which would normally come to the company by virtue of the good-will units established in that territory, but so that he will also get the business which his company should have but up to the present time is not getting.

4. He must appreciate the relationship which the sales department has to the credit department, the production department, the advertising department and the other departments of the business, so that his work can be correlated to the work of these departments and the good of the entire business advanced.

5. He must be what is known as a "cooperator." He must be salesman enough to sell his ideas and personality to those associated with him in business, so that their full support will be assured.

6. He must have the ability to express himself forcefully and clearly on paper, as well as in conversation, inasmuch as a sales manager is dependent on correspondence to transmit his ideas to his salesmen on the road and the trade in general.

7. He must be informed regarding the peculiar conditions which affect the marketing of his line, as well as the methods being developed by concerns in all lines of business for circumventing the problems that confront him.

Why Sales Managers Fail.—A chief executive has, in a business magazine article, given the following reasons for the failure of five sales managers:

One sales manager had no faith in the company's products. This lack of faith made it impossible for him to put enthusiasm into his service.

Another man, college-bred, clever but rather young, was afraid to be severe and so was constantly imposed upon. He continually wore a Pollyanna smile and was so easy with the men that he encouraged sloth and neglect.

The next man was just the opposite of No. 2. He had been a military man for a long time—had been connected with a military academy and had a war record, both at home and abroad. He was absolutely intolerant, prohibiting discussions and putting up a barrier against confidences. The men feared and avoided him. All opportunities for exchange of ideas, so necessary in a sales department, were frustrated.

A fourth incumbent of the position was continually finding reasons for trips to New York, thus causing the company much additional expense.

The fifth man was forever trying to cater to the whims of his superiors and not giving proper attention to the real purpose of his position.

Qualifications of Assistants to Sales Managers.—In most cases the assistants in a sales department are drawn from the ranks of employes who have had experience in connection with the product or service to be sold.

Nevertheless, it often happens that an assistant, for special duties—lecturer, demonstrator, house organ editor, correspondent—may be engaged from the outside. A friendly and helpful rivalry is often introduced by a judicious mixture of employes from the ranks of a business with men and women brought to it from other lines.

SALES ENGINEERING OR PROMOTING DEPARTMENTS

The title of sales engineer is a high-sounding one, and for this reason probably many men who are entitled to use the term do not use it. Nevertheless, a field of work has sprung up calling for the services of the man who is more than a sales manager and more than an advertising manager, though he may in truth be known by one of these titles and be merely a man of unusual promotional ability who is content to carry a simple title, or no title, and yet do an unusual type of promotional work.

Work of the Sales Engineer.—A sales engineer may be a man within one organization, devoting all of his time to some large enterprise. In most cases he is connected with some marketing organization, such as an advertising agency, a sales agency, or a promoting organization.

“Engineer” does not necessarily imply the usual kind of education or experience that an engineer has. “Engineering” in this case means merely the ability to plan, install and carry out a needed method. Often it may happen that the enterprise to be promoted is of an engineering character. The undertaking may be that of selling an automatic stoker, a new farm tractor or the extension of concrete roads. In any of these undertakings a man of engineering education and experience, if he also has the necessary promotional and sales ability, would be immeasurably helped by his engineering experience.

But the enterprise may be that of establishing a chain of dollar-stores, or a plant and a market for a large bakery.

It may be the organizing of a force for selling nursery stock throughout the rural districts, or the sales to banks throughout the country of the finger-print system for identifying illiterate depositors.

The range is a broad one, extending as far as sales work itself may reach. Consequently, there are many cases in which the sales engineer cannot have within his grasp a great deal of experience in the particular business that he undertakes to study and to promote. He must in such cases draw on a broad general experience, on his general knowledge of trade conditions and the buying habits of people, and the experience of other concerns.

The sales engineer must, of course, be a keen observer and a skilful investigator, for whether he does the investigating himself or has it done by assistants, the value of his findings and recommendations will stand or fall on his own individual judgment—unless, perchance, the nature of the enterprise is such that in making the final recommendations he seeks the counsel of experts of different experiences.

Compensation Plans.—Sales engineering may be done on the fee, retainer or commission basis. When such service is performed by an advertising agency, it is usually not charged for separately, except so far as actual expenditures of expense money are concerned. Payment comes to the advertising agency later in the form of commissions on the advertising campaign. It may be said, and often is said, that this plan of compensating advertising agencies places undue emphasis on that form of promotional work which manifests itself in magazines and newspaper advertising campaigns. This is true. It is just as true, however, that it is exceptional that any broad promotional work can be undertaken without magazine and newspaper campaigns. It is almost always true that sales on a broad scale cannot be made until the public is to some measure informed as to the general features of the product or service to be sold. This being true, it follows that the two principal mediums of public information—newspapers and the magazines—must be utilized.

Sales Engineering Organizations That Include Financing.—The advertising agency, as such, rarely attempts either to

finance a new enterprise or to aid materially in doing so. Therefore, a field has opened for the independent organization, with the foresight and ability to see the possibilities for a new business or for an extension of an old business, to make a study of the situation and the possibilities, to present this data in understandable, interesting form, and to attract business men and new capital to the enterprise.

Such work calls for the soundest of business judgment, for sales ability, appreciation of the power of advertising, the knack of finding the right men to head and forward an enterprise, and so on.

Pages from a Proposed Laundry Enterprise Prospectus.—Exhibit 9 shows pages taken from a report made up by sales engineers on the establishing of a modern type of laundry which takes all kinds of flat work and family laundry at an attractive pound rate. The complete document cannot be reproduced here, owing to its extent and its confidential nature.

The entire prospectus, however, was set forth attractively in a leather binder. It included a review of the entire situation, such as present laundry service and the particular opportunity and need for chain-laundries equipped for handling all kinds of family washing and ironing, operated twenty-four hours each day. Many useful facts were set forth in charts similar to those shown in other sections of this volume. These charts covered population statistics, the economy of certain kinds of laundry supplies, plans for the proposed building, effective plant-layout, and so on.

This handy and thoroughly prepared document made a very favorable impression on the reader and was an apt illustration of how far a neat, orderly arranged summary or report aids in sales work, whether the sales have to do with the establishing of an original enterprise or the extending of an old one.

Exhibit 10, reproduced by permission of the Taylor Society, is a chart of the functions of a sales operating department. This exhibit illustrates the detail planning of selling organizations, the selection, training and direction of the sales force, and so on. The following notes aid in understanding

the way in which the sales engineer or sales engineering department coordinates with other men or departments:

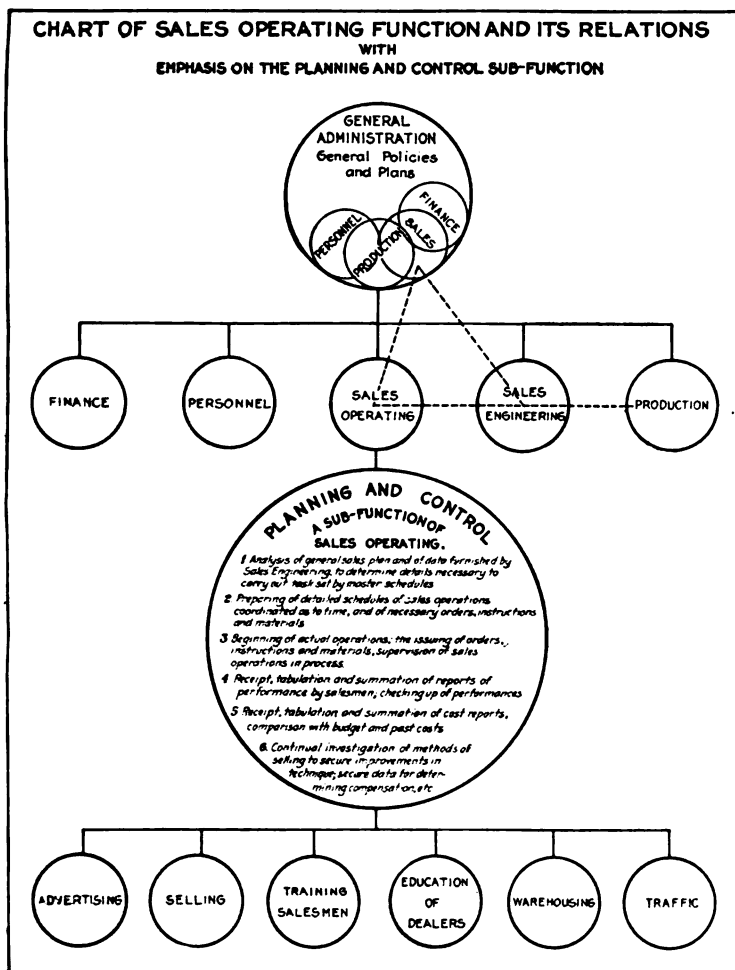


EXHIBIT 10.

Explanation of the Chart.—1. General Administration determines or approves all general policies and plans, including general sales, production, personnel and financial policies and plans.

2. Sales Engineering studies markets and products and recommends to General Administration general or specific, continuous or limited sales campaigns. Its recommendations, as adopted by General Administration, take the form of general schedules which coordinate selling, production, personnel and financial operations. These general schedules pass to the various operating departments for execution and constitute the master task for their coordinated execution.

3. Sales Operating receives these general schedules, or master task, and proceeds to execution. The first step is planning details of execution and establishing controls for execution; breaking the task up into elementary tasks for performance by functionalized branches or individuals.

After detail operating schedules, orders and instructions are prepared, these pass to those respectively responsible for their execution in detail; advertising, selling, training, warehousing, traffic.

DISTINGUISHING BETWEEN SALES PROMOTION AND SALES MAKING

The distinction between a sales-promotion department and the usual type of sales department lies in the fact that sales departments ordinarily are concerned with the development of individual accounts, while the sales-promotion department is interested in accounts en masse.

The sales-promotion department, or man, studies and investigates distribution and marketing problems and reports the results to the executives, who base their sales plans on these findings. This special type of work comprises the field of statistical research, creation of new policies and plans, the getting up of house organs, display advertising, trade literature and dealer promotion.

Discussing this subject in *Sales Management*, J. George Frederick, of the Business Bourse, says:

Planners and doers don't mix. There is a type of individual who is excellent at dissecting a selling problem and laying bare its sore spots and, from the trouble so revealed, arriving at a diagnosis with measures for consequent treatment. He splendidly shows directors and executives the difficulty and makes necessary and valuable recommendations, but the detail work in connection with such must

be worked out by others. Perhaps, too, he may not be the aggressive type especially required for a leader of salesmen. This is a big, important job. Conversely, there is the type of sales manager, a one-time road man, who is gifted in the handling of a sales force and has working ability. Rarely are the qualities combined.

Such a distinction as the foregoing, however, may be very unfair to the better type of sales manager. While it is true that there are men who are able in the carrying out of sales plans, though not resourceful in the study of conditions and the creation of new sales policies and plans, it is just as true that there are men who combine both types of ability. Well organized sales departments could be named that include the broad ability of sales engineering or promoting with the usual week-by-week work of directing sales effort.

Where such broad sales departments exist, it will usually be found that a general executive of the company, a man of analytical turn of mind and keen merchandising sense, takes an active part in its conferences. This man may be known as director of distribution, or perhaps he may carry the title of sales manager and have an assistant sales manager, who acts as a lieutenant with the particular responsibility of carrying out sales plans that have been formed.

To quote Mr. Frederick further:

A little closer study of this new conception of function in sales management, as worked out by the Taylor Society and by members of the New York Sales Managers' Club, may be interesting:

"Selling seems to break down into two major functions, distinct in their nature and in the types of personnel required for their performance.

"(a) The making of larger plans for the marketing of a product, involving analysis of the market and the product, the preparation of master schedules and the coordination of production, financial and selling resources; called Sales Engineering, Sales Planning, Merchandising, Merchandise Control, etc., and in many instances cared for by advertising or selling agencies.

"(b) The actual product of the selling operations, involving the detail planning of selling operations and all contacts with the customer, called in this report Sales-operating."

Developing Recommendations of the Sales Promoter.—

Reports and graphs made in sales-promotion studies should be of such character that they may be used in current problems. Statistical work will include the analysis and interpretation of sales records, and charting and forecasting opportunities for market development.

Editing the house organ may be the work of a special division of such a department, unless an advertising division is already handling the undertaking acceptably.

Special literature may be prepared with the cooperation of the technical or productive ends of the concern.

A sales-promotion department makes field-investigations of the problems of the dealers in selling the product. These studies may be most effectively made, as a rule, by concealing from the dealer the fact that the research man comes from the company which distributes the product. Research work, whether carried out by a sales-promotion department, a sales manager, or an advertising agency, is described in greater detail in other sections of this volume.

Wide Scope of Research Work of Sales Department.—

H. G. Kenagy, in his interesting report on "Problems of Sales Organization" (Bureau of Personnel Research), thus defines the functions or possibilities of a sales research department:

The functions of the Sales Research Department are as diverse, so far as its lines of work are concerned, as the activities of the entire sales organization. It is essentially a service department and it must give its services equally to all departments of the work. But all of its endeavors combine into the single function of applying the scientific method of investigation and experimentation to all problems. It approaches problems without special knowledge, without opinion, without pre-formed judgments. It gathers a mass of data, tabulates, classifies, determines relationships and evaluates results, seeking truth always. The specific problems for research depend, of course, upon the need of the particular organization, but some of the common problems may be pointed out:

1. Determination of best sources for recruiting salesmen.
2. Determination of the common qualities of successful salesmen for the company's product.

3. Development of a technique (including tests, interest analyses and personal-history records) for measuring quantitatively the qualities of applicants.

4. Determination, by analysis of the salesman's job, of the proper content of the training course.

5. Development of a system of supervision which will secure adequate field leadership and make possible accurate measuring of achievement in selling.

6. Determination of the kinds of incentives which are effective in stimulating sales effort.

7. Determination of a proper system of compensation.

8. Causes of turnover in the sales force, and the remedies.

SALES DEPARTMENTS OF THE FUTURE

Relation to company	Organization	Method of work	Service advertising	Research
Dominate the policies 1. Mfg. { lines. { styles. { sizes. 2. Advertising. 3. Selling. 4. Future demands. 5. Service. Always represented on board of directors. Taken into confidence of owners. Statistics to submit as result of surveys.	Careful study in hiring and training men. Tests for efficiency. Practical schools. Human treatment. Supervision of older men to increase efficiency. Checking men as to results more systematically. Morals, health, standing in community.	Intensive work in territories. Get full day's work instead of 3 to 4 hrs. Closer supervision from home offices. Extend help to buyers. Merchants. Clerks. Operators, etc. Not selfish. Graphs. Charts. Quotas. Live promotion dept. to help salesmen. Users. Use wives.	Should control advertising policy. Furnish material for dealer helps. Help users get most good from product. Circular letters. Use of movie. Publicity, general. Use organizations. Use wives of dealers. Merchants.	Study new fields. Get ideas for improvement from users. Study successful methods of other concerns. Future demands of trade. Keep ahead of market. Watch all patents granted.

EXHIBIT 11.—Chart prepared by C. E. Steffey, General Sales Manager, National Cash Register Company.

9. Development of a scientific quota system. (This presupposes a careful study of sales possibilities in the territories.)

10. Development of a sales-record system which will secure, in usable form, all the essential information on which to study past performance and build a future program.

Sales Departments of the Future.—Exhibit 11 is a comprehensive chart prepared by C. E. Steffey, General Sales Manager, National Cash Register Company, indicating the scope of sales departments of the future. As this chart indicates, organizations like the National Cash Register Company look forward a number of years in the planning of their work.

SECTION II

DISTINCTIVE SALES POLICIES

“Policy” is a word of such broad scope that it might be appropriately used as a heading to cover a distinctive feature of sales practice or management in almost any division of sales work. But it is the purpose in this Section to summarize briefly only some fundamental planks of business platforms with respect to the service side of salesmanship, the quality of goods, distinctive features of a business or attitude toward the trade.

SERVICE SALESMANSHIP

There is a kind of salesmanship that is to a large extent automatic. It delivers merely what is called for and answers the questions that may be asked about the article. This is a low-grade type of sales effort, a mere clerical performance. It has its place in those instances where the goods and their uses are thoroughly understood and where the salesperson is only a sort of human display-fixture or show-case. With such salesmanship there is little need for this volume to deal. The reader already knows what there is to be known about this phase of business effort—which is not much.

The modern sales manager is looking for the other type of salesmanship, that which is missionary or educational, not only interpreting the article or service to the logical buyers but seeing that the commodity, after being purchased, is used properly, so that the good-will of the first buyer is retained and the good-will for the commodity spread through that buyer to other buyers of his acquaintance.

How a Well-Known Oil Man Practiced Service Selling.—Referring, in the *New York Times*, to his experiences as a salesman, the executive of a great oil company thus defines a sales policy that retained good-will:

A good salesman will know his customer's needs and protect them, sometimes protecting his customer against himself. It may mean a smaller order, but the salesman who protects his customer against overstocking will win in the long run. Following the policy of our company, I have never yet permitted the size of an order to tempt me into accepting it if I knew it was contrary to the best interests of my customer to buy or use that much oil, even if the customer did not know it himself.

I recall one incident among hundreds of its kind where our company had obtained an order to supply lubricants to a certain plant owned by a great industrial concern which operated many other plants in various parts of the country. I went to this plant and studied the needs and found that these people were using far more oil than was necessary to lubricate their machinery properly. We were selling them the oil, and every barrel they used meant a profit to us. Notwithstanding this, I informed the superintendent of what was going on. He did not believe it, and, anyhow, he thought that I was out of my mind to protest, as long as we were selling them the oil. However, he promised that I would see some improvement.

I waited a few weeks, found that they were still wasting the oil, and then went to the president of the company and informed him that they were using far too much oil. He referred me back to the superintendent, with the same result. A few weeks later I was able to get the president and the superintendent together and told them again that they were using more oil than was required. Also, I said to them that if they did not cut down their consumption to where it properly belonged, I would refuse to sell them. They looked at me as if I had gone insane, and the president finally said: "Say that again, will you?" I repeated my ultimatum, and he replied that they could buy a similar grade from other companies who wouldn't care how much they used—who, in fact, would be delighted to sell them all they could. I told them to go ahead and buy from those other companies, that we were through selling them high-priced lubricating oil to be wasted.

Then they began to think and asked for an explanation of my attitude. It was very simple. If they continued to waste our oil at the rate they were doing, some lubricating engineer employed by one of our rivals would come along and demonstrate that he could lubricate their machinery for a lot less money. They got the point, corrected their methods of lubrication, and today our company supplies the oil for every one of the great plants owned by that concern.

Foresighted Salesmanship Reduces Costs.—Such a practice as that outlined by the oil man just quoted requires real courage, for, to paraphrase an old saying, an order in hand looks like several in the future, especially to a man selling on commission. But when the costs of original selling are studied, it requires no great figuring to show that unless good-will can be so built up and held that repeated orders come, without great selling pressure, many a business would sink into bankruptcy through excessive selling expense. So, after all, there is not so much idealism in such business practice as might be supposed at first. It is simply salesmanship of the foresighted kind.

A point to be remembered is that patronage secured through real service can often be retained, despite the bombardment of competition, and often at a higher price than competition, in its desperation, may offer. Many a firm can point to business held largely because of confidence built up by fair and square representation. This sentiment or condition is well summarized by a buyer, who once remarked:

I have no doubt that a dozen different houses could furnish me goods that would meet my needs as well as those of Blank and Company, but I have established the best of relationship with the Blank people. I know from long experience what they will do for me. I know that I can depend absolutely on them for fair statement, for adjustment of anything that may be wrong. Why should I experiment and try other firms? I may do as well, or I may not. The Blank men know me and I know them. So I do the easiest thing—give the bulk of my business to Blank and Company.

Service a Balm for Mishaps.—How the service spirit helped a salesman to square himself after a customer had become disgruntled, is well illustrated by the following story, related originally by the *New York Times*:

Jones, a resourceful, earnest salesman, had been selling a certain buyer boiler covering in fair-sized quantities. Calling on his customer one day, he was met with the accusation, "You've been robbing me."

Jones replied that no doubt he had, but he would like to hear the particulars. The jobber was surprised not to get a denial of his charge, but he continued and told Jones how he had been selling him

(the jobber) boiler covering at a price higher than that for other coverings which were just as good. This time Jones issued a denial. He admitted that his price might be higher than that of some of the other lines, but said that the buyer knew it. Consequently, he argued that he had not been selling to the buyer, but that the buyer had been buying from him.

This viewpoint got under the skin of the buyer. He told Jones that maybe he was right, but that he was going to buy his covering elsewhere in the future. Even this did not embarrass Jones, who simply asked the buyer to favor him in one way—that before he gave his business entirely to any other concern he try out thoroughly all the brands of covering on the market. The buyer testily replied that he had intended to do that, anyhow.

Jones took his departure, and nothing more was heard of the account for several months, when an order came in for two tons of covering from the buyer in question. It was referred to Jones, who sent it to the factory to be filled. Several other orders came, were reported to Jones, and then filled.

Finally, when a cut in prices came along, Jones received another order through the sales office. This time he took it to the buyer who thought he had been robbed. The latter looked at him wonderingly, and Jones got down to business at once. "Mr. ——," he said, "the last time I was here you called me a robber. This time I have come to show you that, far from being a robber, I am actually in a position to save you money. Here's an order that you sent the house and that I could have recorded if I wanted to. But I didn't want to. The reason is that a price-cut is going into effect in a few days and you would lose money if I put this order in now."

The buyer looked at him with awakening interest. "What do you intend to do?" he asked.

"I'm going to give you a chance to save a nice piece of change," Jones replied. "I'm going to tear this little order up and write you another one for a full carload of the stuff at the new price. What do you say?"

"It doesn't seem to do me any good to say anything," the buyer answered, "so use your own judgment."

Service with Such Products as Automobiles and Adding Machines.—When a purchaser invests in a product such as an automobile, he is really buying more than from one to two tons of machinery planned to give certain performances. Unless an automobile is bought for utilitarian purposes only,

the owner's pride and pleasure enter very largely into the transaction, and also have much to do with his subsequent relations with the manufacturer.

To illustrate: A case is cited in the business press in which a reliable automobile was sold without proper coaching on the part of the seller about the speed at which the machine should be run for the first 500 miles. While it is true that the book of directions contained the proper cautions about this, there was so much in the book that the new owner failed to observe or to read all of it. When the automobile had been operated for a few weeks and at a speed that was entirely too high for a new engine, it gave signs of trouble. The owner turned the car into the service department of the automobile company and in time received a bill bearing a total that shocked him. Along with the bill came a very plain explanation, which showed that the owner and operator was entirely at fault—that the automobile could hardly have been expected to stand such early driving at high speed without injury.

All of this was true, and the owner took his medicine. Nevertheless, this medicine left a bad taste in his mouth, so to speak, which lasted throughout his ownership of that car.

The salesmanship that made him a buyer of the car had been well-nigh perfect, but when the check had been signed and the automobile delivered, the service of the automobile company slackened considerably. At an expense of perhaps \$10 to \$25, the automobile company could have coached the owner thoroughly as to how to drive his new engine in order to get the most service and pleasure out of it. The owner might have been made a lifetime enthusiast for that particular make of automobile. A slackening of service on the part of the automobile dealer after the name was written on the dotted line of the order blank was responsible for the destruction of considerable good-will, which may or may not be fully regained.

A large insurance company indicated that it was in the market for a number of adding machines. The executive who announced the need of the company to several adding-machine manufacturers, gave the information that the office manager of the insurance company had settled on just what was required. Therefore, it would have been easy for an

adding-machine company to figure on the order without any study of the situation. Nevertheless, one adding-machine concern, having had long experience in installing machines and having learned what might happen when the wrong type of machine is purchased, insisted on permission to make a study of the work of the insurance company. Actually, several months were spent by the adding-machine manufacturer in making this study. Such a period of time would be out of reason with a small concern, but it was warranted in the case of this large insurance company.

As a result of the study, some important changes were suggested in the accounting and recording methods of the insurance company and an entirely different type of adding and calculating machines was recommended. The insurance company admitted that the suggestion was a real improvement over its own original ideas and that its work could be handled more expeditiously and more economically by the system recommended.

It cost the adding-machine company both time and money to do its work right at the outset. It is a temptation, when an order is in the air, to work quickly and secure the business before competitors get a chance. Yet, in the long run, real service work in the case of products of this kind seems to be good business, even looking at it from the most commercial point of view. Relationships are established that last. Moreover, an influence goes out from each business man or concern thus served that brings more business from his connections and acquaintances.

Such selling has been aptly called "selling that follows through." Concerns that follow it often go so far as to send special men out a month or six months after a machine or product has been sold, to see that it is being used properly, or is being properly cared for. As a by-product of such service calls, it very often happens that the best kinds of leads for other sales are secured.

Typewriter Dealers' Service to Customers.—Some of the well known typewriter concerns have found that a regular inspection service on the part of the dealer is good merchandising. A record is kept of all machines sold and for a certain

length of time—a year, or maybe longer—a man is sent around at regular intervals to call on the customer and inspect the machine in order to make sure that it is performing satisfactorily. These firms will not risk acquiring the bad name that careless or improper operating may give a machine.

THE DEMAND FOR QUALITY GOODS

While there is still plenty of room in business for the low-price attraction, there is no doubt about the tendency, during the past decade, toward the buying of quality goods. The slogan used by the Simmons Hardware Company, "The recollection of quality remains long after the price is forgotten" is more than a truism.

No rule can be a safe guide on all products, but no matter what may be the demand for low-priced goods of certain kinds, the figures show unmistakably that people in general are buying better clothing, better shoes, better hats, better vehicles, better home equipment, better farm machinery, better kitchen utensils.

Purchases in Small Towns and Farm Homes.—A study made by C. C. Parlin, of the Curtis Publishing Company's Research Bureau, shows that in the little rural city of Sabetha, Kansas, consisting of 525 homes, 87 per cent had electric lights, 61 per cent had electric irons, 21 per cent had electric washing machines, 55 per cent had oil stoves, 48 per cent had bathtubs, 40 per cent had steam or hot-water heating, 48 per cent had vacuum cleaners, 77 per cent had telephones, 44 per cent had pianos, 42 per cent had automobiles and 32 per cent had talking machines.

As indicating how far promotion work encourages the buying of luxuries, Mr. Parlin records that in Sabetha 22 per cent of the homes had purchased a talking machine in a period of about 18 months, while only 4 per cent had bought a piano.

A study of more than 500 farms in the immediate neighborhood of Sabetha disclosed the fact that while electric service was not available in the country, 84 per cent of farm homes had washing machines of other types, 94 per cent had telephones and 83 per cent had automobiles. Twenty-five per

cent of these farm homes had become possessed of a talking machine in the year and a half preceding the study, while only 9 per cent had purchased pianos in that time.

Study the trend in cravats, hosiery, shirts, packaged foods, home conveniences, amusements or any other of a dozen forms of commodities, and the general trend will be found decidedly toward goods of better grade. This remains true, despite the opposition of American buyers toward paying the excessive prices created by the Great War.

What a Test on Books Showed.—For a long time book publishers have wondered what the American book-buyer's attitude toward the paper-bound book is. Paper-bound books have a large sale in France and were sold extensively in America in former years. Accordingly, the publishers of a popular novelist's works recently made a test. Gertrude Atherton's "Sisters-in-Law" was brought out in both cloth and paper binding and both bindings were featured in advertising. The result was that fifty-four sales of the cloth-bound edition were made to every one of the paper-bound style.

The lesson to manufacturers, jobbers, retailers, sales managers and salesmen seems clear. Get quality with low price, if both be possible, but at any rate get quality. The salesman who is eternally arguing that he could get business if only he had prices low enough may be on sound ground here and there, but, in general, he is wrong—that is, if he means that his buyers want an article of mediocre quality.

A New York Retailer's View on Quality.—Recent years have included first a runaway market, when prices rose steadily to unheard-of figures without apparently discouraging purchases, and then a reaction period, referred to commonly as "the buyers' strike," when it was more than ordinarily difficult to make sales at even a normal rate unless prices were unusually attractive. The influence of the latter-named period was toward lower prices and to the encouragement of the belief that sales success is not possible unless both manufacturer and merchant sell on the basis of low price.

Many keen merchandisers believe that it is easy to misinterpret the attitude of the public on the question of price

and quality. A prominent New York retail merchant, discussing this subject, says:

We, therefore, may start with the fairly reasonable premise that the number of actual customers will be about the same. They will come to the store, and their purchases will depend on the way they are handled, as there are no signs, as yet, that their buying power will depreciate. If the price of the merchandise they need is a little higher, are the salespeople to confess defeat by their first answer? Would it not be wiser not to stress price, as has been done, but to drill the sales force in placing quality first, which means that added wear will be given, proving in the end more economical?

This is the big point in handling the question of price from a sales standpoint. Already the consumers themselves have given evidence in their buying this season of preferences for the better quality merchandise. To some extent, therefore, the way has already been paved for such sales guidance on the part of the retailer. But, in any case, I am first and foremost an advocate of quality as against price all the time. From the way retailers play up the price question they do themselves harm and the consumer as well.

The last statement may be challenged. But take, for example, the case of a man who needs a shirt. He goes into a store, and a colloquy like the following ensues between the salesman in the "price" store and the consumer:

"I would like to see some shirts," says the would-be purchaser, "around \$1.50."

"Yes, sir, what size?"

"Fourteen and a half."

"Here you are, the best at that price."

The customer looks the shirts over and takes two. The purchase is wrapped up, the customer pays and departs. Nothing is said by the salesman as to a better quality shirt and, although this customer wants a good shirt, he has a price idea in his mind and not quality. This consumer wears the shirts he bought for \$1.50. They go to the laundry, lose a portion of their original coloring in the first few washes and, usually after a surprisingly short period of time, are worn out. Then, unless the quality idea has been impressed on the customer, he does the same thing over again.

But, to my mind, a different story would have been told if the salesman had pointed out the fact, in a tactful way, that he could supply the \$1.50 variety, but that, if the customer really wanted such service as would prove the most economical in the long run, then

he should expend a little more. A dollar more spent on a shirt would prevent the spending of \$1.50 more for another to replace the cheap one that would be quickly worn out. Handled in a skilful manner, this argument would win in the larger number of instances with the "price-idea" customer, and really be to his advantage.

The objection may be raised that there are many men who have to have the cheaper article. To this I say there are undoubtedly some whose earnings confine their purchases to this scale, but the average man in this country can afford to buy better merchandise than he does and in return get more wear and service, which is true economy. How? By buying less of the cheaper stuff, which in the aggregate costs more, and confining his purchases to the better quality.

This is the keynote of a sound selling program for the coming year as I see it. It will, in good measure, solve the objection raised because of possible price advances and, while seemingly against added turnover, due to longer wear of merchandise bought, it really is a factor toward increasing it.

It is unquestioned that the man or woman who gets good service from goods purchased at a certain store will go back to that store for future needs. In fact, not a few stores have prided themselves on the fact that so many of their purchasers are "repeat" customers, year in and year out. This patronage is only secured through adequate giving of values.

NEED FOR HAVING DISTINCTIVE BUSINESS

Present-day competition in most kinds of enterprises—whether manufacturing, importing, jobbing or retailing—makes it difficult for a business that is commonplace to be an outstanding success and to grow at a healthy rate. If there is nothing out of the ordinary in its product or service, no distinctive policy, no business practice that commands attention or preserves trade relations to an unusual degree, it can hardly be expected that the business will enjoy unusual success. As is often remarked, a business enterprise either goes forward or goes backward. The business that stands still for a long time is probably losing momentum and will soon begin to drop behind.

Distinctiveness That Yields Publicity.—It is more difficult than it ever was for a commercial enterprise to secure free publicity. Magazines and newspapers are alert to discover

and frustrate the usual type of press-agent work. And yet a business, to make continuous progress, must stand out—must either be read about or talked about. This desirable result can be brought about by having the business distinctive. H. J. Heinz secured an enormous amount of public attention for his great enterprise. Thousands of visitors went yearly through the "Heinz Kitchens," as they were called. John H. Patterson, of the National Cash Register Company, secured public recognition worth millions by his progressive business methods, his system of training men to be better demonstrators and salesmen generally, the sound business advice he circulated, his boys' gardens at Dayton, the spectacular affairs he arranged, such as a convention for the wives of the N.C.R. salesmen and so on.

Frank E. Davis, a Gloucester, Mass., fish packer, by distinctive methods of marketing and excellent magazine advertising and letter advertising, built a strong place for himself in the national food market.

It seems almost unbelievable that a cigar manufacturer could do a successful mail-order business, yet Herbert Shivers did it by adopting the approval-sale method and featuring it simply and attractively.

The Variety of Distinctiveness.—Distinctive features need not be an exclusive attribute of only very large businesses. A Buffalo electrical concern, believing strongly in service-advertising and selling, advertises regularly that the oldest battery brought into the shop will be recharged gratis. This newsy advertising brings extra business, and the result is that a valuable list of customers and prospective customers is built up. Furthermore, this concern has made a practice of dealing with such things as ignition troubles by the method of having the faulty system taken apart at once and letting the customer see what the trouble is. The customer is told just what the cost will be and when the work can be done. Consistent attention to estimates and promises gives this electrical company a valuable reputation. The company runs both a wholesale and a retail business and operates ninety sub-service stations, thus possessing another feature that commands attention and favorable consideration. Its sales-

men make calls on owners of new cars, carrying the batteries in which this electrical company specializes, explaining the attention a battery should have and the service given by the company if there is any trouble.

An enterprising baker provides his stores with an unusual feature by giving them a quaint Dutch appearance—windmills on the front, neat Dutch costumes for the sales girls and so on. The delivery wagons have revolving windmills on their sides and the outdoor signs in the suburban and tributary territory of the firm are in the form of Dutch windmills. Thus the public gets a clear impression of the enterprise.

A number of manufacturers of office systems and appliances have highly developed service facilities. Reference is made to such organizations as those of Yawman and Erbe Manufacturing Company, the Library Bureau, Burroughs Adding Machine Company and Monroe Calculating Machine Company. In some instances sales are made only by company salesmen who go out from branch offices, so often do immediate sales and subsequent good-will depend on the close application of the machine or system to the specific problems of an industry or business.

Such policies and practices not only give an organization the most solid kind of publicity, but they eliminate competition to a large extent. Under ordinary circumstances the concern that calls on one of the firms here referred to and receives valuable assistance in working out an improved method of doing business does not shop around to see the lowest price at which the necessary equipment can be purchased.

Developing and Holding Good-will.—There are business organizations that have become successful, though they make few or no "repeat sales." In this group are a number of publishers of subscription sets of books. With such concerns, the immediate sale is more important than the laying of a foundation for subsequent dealings with the customer.

In general, however, the making of the first sale to a new customer, though highly important, is really not so important as paving the way for subsequent business. The cost of making a new customer, or of establishing a new dealer for a manufacturer or a jobbing firm is very high. If a large number

of customers are lost, through subsequent indifferent salesmanship, crude clerical work or bungling correspondence or shipping service, a business is leaking dangerously. The W. S. Tyler Company of Cleveland, Ohio, some time ago addressed the following pointed remark to its employes:

This leads up to a final observation: That in building up a business, we really have less to fear from outside competition than from inside bungling, discourtesy and inefficiency. These are the real horse-weights that many a business is dragging around without realizing it.

There has lately been a tendency to hold classes for letter-writers in some of the big business houses, and in our opinion this is just as important as holding conventions for salesmen.

How Good-will Is Frequently Lost.—An instance was recently recorded of a New York mail-order firm that received an order in November from a country-town woman for a number of Christmas purchases. Though the money-order was received and cashed, which the customer found out by her own investigation, somehow the order-list was misplaced and never filled. Then began a long and, to the customer, exasperating correspondence. Three or four letters from the mail-order firm promised attention "as soon as an investigation can be made." In the meantime, however, there was no attempt to duplicate the customer's order for the Christmas goods. Finally, several weeks after Christmas, when the customer had threatened to put her claim in an attorney's hands, the money was refunded. In this case, the mail-order firm was trying to trace the whole transaction before giving the customer attention. Several of its correspondents wrote letters to the customer, all justifying the firm's procedure. Coordination between departments was weak apparently. The firm meant to do the right thing but lost the confidence of the customer for all time. She compares the service of the New York firm with that of a Chicago firm with whom she had dealt for years. The Chicago firm duplicates the shipment immediately on learning that an order has been lost or shipped wrong, and investigates afterwards.

A leading automobile company after building up, through a series of years, an impression that resulted in the purchase of

one of its machines, handled a new customer so bluntly through its service department and was so neglectful in its correspondence from the home office that the customer declared he would never again do business with the concern. It took years to make the first sale but only a few weeks to wreck the goodwill structure.

Though a firm, through inattention or ill-advised system, may appear to offend but one person or one family through an unfortunate transaction it has no way of knowing just how far the effect of the offense may travel. There is a case of a well-known New York store that has earned a poor reputation throughout an entire community by its treatment of one young couple who bought furniture from this store over a month before their wedding. The furniture was to be sent to a town within a radius of forty-five miles from the city. The order in the main was handled well, but one crate, containing the sides of the beds purchased, did not arrive with the remainder of the goods. The parts of the twin beds that did arrive did not match. The store was notified and replied in a perfunctory way that a tracer would be sent after the missing parts. A month later when the couple returned from the wedding trip, there were still no sides for the beds. The husband made a trip to New York and was again told that a tracer had been put out. He protested that they could not sleep on a tracer and the store finally agreed to send another set of sides for the beds. And they did arrive a week later. After his experience, the purchaser lacked the confidence to ship back the mismatched headpieces to the store to be exchanged. He intended to take them back in his automobile and not surrender them until he actually saw the right pieces tagged with his name and address, but found no opportunity and they remained as a constant reminder. This big store may dismiss the incident as a series of clerical mishaps, thinking that it has displeased only one couple, but the customer in this case is the one minister in a prosperous Jersey community and the whole congregation took a great interest in seeing him and his bride installed in the manse. Hundreds of prospective customers know about the missing furniture, the store from which it was bought and the way the purchase was mishandled.

What a reputation that store now has in this particular community. Its poor work cannot now be righted by thousands of dollars of advertising, and yet some department of the store slumbers blissfully on, unaware of the damage done.

Fidelity to Customers' Interests Establishes Confidence.—Merchants of the type of the late John Wanamaker have shown what fidelity to the customer's interests may do in the way of developing and holding good-will. Undoubtedly stores following a broad policy toward customers are imposed on and they must of course guard themselves from gross imposition, but Mr. Wanamaker seemingly never lost an opportunity to make up quickly for any fault in service or defect in merchandise. He probably did more than any other American merchant to establish the merit of the open, one-price-to-all system and the policy that the customer could bring the goods back if he or she were dissatisfied. Such a merchandising policy, whether the firm is on the manufacturing end of a business or the retailing end, establishes confidence; and confidence is the foundation of mercantile success.

The following are a few additional examples of policies that have been adopted as means of improving the stability of business.

Policies for Overcoming a Saturated Market.—*System* for December, 1922, offers an interesting platform of policies for overcoming a saturated market. These suggestions are reproduced in Exhibit 12.

POLICIES THAT OVERCAME A "SATURATED MARKET"

1. Bettering service to customers.
2. Pushing another article when one item slumped.
3. Improving the quality of the product.
4. Tying the dealers more closely to the organization.
5. Advertising the industry rather than the brand.
6. Changing the product to meet less opposition.
7. Adding a complementary line.
8. Adding a line to reach a new market.
9. Improving the old product and adding a new.
10. Redesigning the product at a lower price.
11. Pushing new uses for the line.

EXHIBIT 12.

Roofing Manufacturer Now Prefers to Brand His Goods.—One of the largest manufacturers of roofing for some years manufactured roofing materials and sold the goods to jobbers and dealers under no trade name. Frequently the goods were given brand names by these jobbers and dealers until eventually these brands numbered up into thousands. The inevitable result was that some buyers began to regard price as being more important than quality and the manufacturing standards of the business were threatened. All through its history this roofing company had laid special stress upon the manufacture of a first-rate product. It now refused to give up its standards.

Therefore, it seemed to the sales executives that greater stress had to be laid upon selling. In consequence, it was decided that the sales factor should no longer be under the control of outsiders. Under the new policy the price is maintained for all, large or small buyers—jobbers are allowed a jobber's commission. There are no exclusive agencies. The product is sold to as many reputable dealers in the various lines as should handle it in order to give good service to the purchasing public. In 1920 sales amounted to \$24,000,000. For the same period the advertising appropriation was about \$800,000.

The prime object of this roofing manufacturer's advertising for some time has been to impress upon the consuming public the trade name associated with the quality of the products. Advertising is continuous, whether times are good or not. There is no longer any effort on the part of the trade to suggest how the company shall make its goods or conduct its business.

(Summarized from *System*)

Sales Ideals of a Loose-Leaf Binder Company.—The president of the Kalamazoo Loose-Leaf Binder Company, defining his sales platform, says:

“The underlying policy of this institution may be defined in three sections: (1) To create a class of merchandise that cannot be excelled; (2) to increase and elaborate the line so that it will embrace everything required for accounting purposes, and (3) to build up a sales organization with the funda-

mental idea of giving every customer the very best possible service, so that by no chance can an installation be made that will not be a success. It must achieve for the customer all or more than he expected of it. It must insure to the customer everything that will make his business bigger and better."

Generally speaking, "service" means that the consumer is vouchsafed that the product will be kept in repair and necessary adjustments made. But this loose-leaf concern insists that every one of its salesmen must know and understand his customers' requirements and then sell what is suited to those requirements. If the customer cannot be persuaded to accept the service with the product, the order is not accepted, because modern equipment is not compatible with the customer's old-fashioned ideas. Persistence in the idea of selling service and equipment together finally impresses the prospective customer and induces him to adopt the plan. Everything is done to show the customer that the service will help him do the things that are fundamentally right in his business and will improve it; that the service offered is simply an elucidation of certain fundamentals which underlie all business principles.

In the same spirit with this manufacturer's code is the well known slogan of the American Multigraph Company, "You can't buy a Multigraph unless you need it."

SECTION III

REVIEW OF DISTRIBUTION PROBLEM

STATISTICAL DATA ON SALESMANSHIP IN AMERICA

Statistics do not always afford the most entertaining reading. It is the main purpose of this Handbook to show the present situation and current experience rather than a detailed historical review of salesmanship; but this can hardly be done without the aid of some statistical data from reliable sources.

Findings of Joint Commission of Agricultural Inquiry.— Nothing has appeared lately in the way of statistical summaries that is more reliable than a report on marketing and distribution compiled by the United States Government under the direction of the Joint Commission of Agricultural Inquiry. While this report has to do mainly with agricultural products, these products, in truth, form the basis for the most staple merchandise—food, clothing, leather goods, etc. As a basis for the information presented in the following pages, the governmental committee sent out 15,000 questionnaires covering a total of more than 200 commodities. Before the final tables and figures were made public the results of the questionnaires were discussed in Washington with representatives of various trade committees. The general committee considered the reports of the special trade committees, amplifying and correlating them.

Long extracts from the report and a number of charts and tables are reproduced in this volume because it seems advisable that every one concerned in any way with modern selling practice should see such practice as it appears when recorded in the cold statistics and comparisons of political economy. The value of selling must be measured by its results and benefits to all concerned. Here are shown what a complex chain distribution is; the place occupied by the producer of raw materials, by the wholesaler, retailer and

transporter; as well as the effect of taxes and turnover on prices and profits.

Evolution of Buying and Selling.—In tracing the evolution that has brought about the present buying and selling practice in America, the Joint Commission reported:

With a view to maintaining a great volume of production, manufacturers have urged wholesalers and retailers to buy in the largest quantities with little regard for the consuming capacity of the communities served by the distributors handling their goods. Each manufacturer has endeavored to command the outlets of distribution by selling in such quantities as would compel the distributor to exert every effort to dispose of the commodities in order to recover his investment with such profit as he might secure after paying the operating expenses of his business. New agencies, new methods and new expenditures have been added by individual manufacturers, from time to time, to maintain a continuous flow of goods through the channels of distribution, and their efforts have been duplicated by the manufacturers of competing goods. These competitive practices of distribution have created a burden from which manufacturers would be glad to be relieved. It is the belief of the commission that manufacturers and other distributive agencies must find relief by securing better knowledge of the consuming capacity of markets and adapting their distributive policies more definitely to the needs of the consumer.

Result of Efforts for Large Volume.—In many lines of manufacture the facilities of production exceed the current capacity of markets, and efforts to produce large volume lead to the production of surplus stocks which can only gradually filter through to the consumer as he is able to use and replace. When this situation develops, plants close down, employes are discharged, and the consuming markets diminish, with the result that the recovery and return to industrial activity is a much slower process than that of producing a surplus of commodities. The function of wholesaling originally was that of creating a market for manufacturers and disposing of merchandise within an easily served radius. The wholesaler carried a reserve stock to supply retailers and was looked upon by the manufacturer as the market outlet for his products. However, with the development of strenuous competition, the manufacturers developed special sales organizations to call upon retail dealers and interest them in new products or to urge them to buy in larger volume products that they

were then handling. Under these conditions, the wholesaler ceased to be a market-creator and relied upon manufacturers to create demand and secure orders which they would fill and distribute. Advertising was looked upon by the manufacturers as a compelling force which would send consumers into retail stores to demand brands or varieties exploited by the manufacturers. Added to this, manufacturers put in the field sample distributors, demonstrators and canvassers to compel retailers to distribute the commodities thus introduced, with the result that the retailers ceased actively to create markets for new products. Manufacturer after manufacturer repeated the process until the public and the distributor were confronted by a confusing urge to buy more products in constantly increasing variety.

Change of Buying Habits.—Buying habits were upset and consumers ceased to give their patronage to individual merchants and scattered their buying not only within the community in which they lived but made purchases abroad, either by mail or in person. To overcome this tendency and to attract additional trade, retailers devised new services, greater conveniences, and adopted new selling methods. All of these activities tended to create a greater volume of business and established new merchandising standards, but they also added new expenses in the operation of business. By creating greater volume of business, profits per dollar of sales were reduced, but the tendency has been toward a constantly increasing cost of distribution, until the public now pays more for package, convenience and service than it pays for the commodity contained in the package.

Cost of New Standards of Living.—During the period of development of new commodities and new services, the American standard of living rose to a higher plane than that of any nation on earth, and the cost of living advanced in proportion to the public demands for or acceptance of comfort, convenience and superlative service. More and more people entered the fields of industry and distribution, and competition became increasingly severe. A constantly increasing proportion of the population found employment in the activities of handling, transporting, storing, converting and distributing commodities and meeting new demands for supplemental services. Out of the spread between the producer and the consumer, compensation for all of these people must be found, and this brings the American public face to face with the problem of devising a less expensive and more efficient system of distributing the absolute essentials—food, clothing, shelter and fuel.

Make-up of Cost of Distribution.—The cost of distribution is made up of an infinite number and variety of costs of material and services, each of which influences the others and all of which combine to make the price which the final consumer pays. These factors vary in influence upon one another and upon the final price from year to year, from month to month, and even from day to day. They are each a part of a complex and flexible price structure which is extremely sensitive to governmental, economic, and psychological forces, such as taxes, interest rates, freight rates, custom, habit, usage, and practices of producers, consumers, manufacturers and distributive agencies.

There is no single factor in this complex price structure which can be said to be primarily or even principally responsible for the spread between producers' and consumers' prices. The elements which compose this spread must be attacked at every point in the chain of producing, manufacturing, and distributing processes. Legislative panaceas cannot be effective in improving a situation brought about by the interplay of so many varied and complex factors. The cost of distribution can be reduced by a better understanding of the elements which compose it, the relationship of the agencies through which commodities are distributed, and a concerted and conscious effort on the part of producing, manufacturing, and distributing agencies to eliminate unnecessary and wasteful practices and processes, to adopt more efficient methods, and more definitely to relate these processes to one another, so that there can be a continuous flow of commodities from producer to consumer in response to known demands. In this effort the understanding and cooperation of the producer and consumer is also an absolute essential.

The commission went further and laid down the following recommendations for better analysis and better selling practice on the part of manufacturers and wholesalers:

Value of Exact Knowledge of Requirements.—There can be developed an economic distribution of essential commodities when the industrial production of the country is based upon a better knowledge of the requirements of consumers and a recognition of the fact that distributive agents cannot function economically except as they maintain an even, continuous flow of merchandise through the channels of distribution. It is the function of wholesale and retail distributive agencies to make available to the consumer all of the essential commodities on an equal basis. Any effort on the part of individual manufacturers to dominate the outlets of distribution to the disadvantage of other manufacturers develops an uneconomic

burden of expense to the consumer and leads to an interruption of the operation of distribution.

Wholesalers can reduce the burden of overhead costs by purchasing stocks which can be turned with economic frequency. There is a growing tendency on the part of wholesalers to enter products under their own labels in competition with the goods of the manufacturers they serve. This in a measure destroys the confidence of the manufacturer and leads to retaliatory expenditure, which becomes a part of the cost of distribution.

Tendency Toward Expansion of Territory.—There is a tendency on the part of the manufacturer and wholesaler to undertake distribution over larger territories than can be intensively and economically served. Where too extensive distribution has developed, accounts become scattered, selling costs, advertising and transportation become extravagant and wasteful. When manufacturers and wholesalers go beyond a radius of economical distribution, they come into competition with an increasingly large number of other manufacturers and wholesalers making similar efforts to dominate market, thereby creating a duplication of wasteful expense that attaches to the cost of distribution.

Retailers can improve their situation materially and reduce the cost of distribution through the development of more complete knowledge of the requirements of the consumers whom they serve. It is the function of the retailer to serve as a purchasing agent for the consumers within the community in which he is located, and to perform this service properly it is necessary for him to know the kind and amount of commodities required. Failure to maintain a balance between purchase of merchandise and the ability of the community to consume creates a larger burden of operating costs than economic distribution will justify.

Old Production Methods Compared with New.—The existing system of distribution of manufactured goods is the result of a gradual adaptation of earlier methods, when needs were comparatively few and simple, when production, manufacture, and market were localized, and when each community was comparatively self-sustaining. In those days the farmer took his wheat to the mill and had it ground and took away flour and bran. As a matter of fact, practically all goods were custom-made. The consumers could tell the manufacturer what they required and the manufacturer could convey to the producer information as to his needs of raw materials.

The methods were rather crude, in contrast with the highly specialized practices of the present time, but there was little misdirection

of energy in the matter of distribution. There was, of course, considerable time consumed in bargaining, and manufacturing costs were higher because of lack of machinery and labor-saving devices, but the costs of distribution were low in comparison with the costs of manufacture.

There was little or no overproduction, and manufactured commodities were handled and delivered in bulk, and much of the manufacture was carried on in the home.

Effect of Better Transportation and Modern Machinery.—With this condition as a starting point, we have to take into consideration the rapid development of our country, the extension of transportation systems, and the industrial activities growing out of the development of our mineral and forest products. People engaged in these activities had to be fed, clothed and sheltered. Every section of the continent came into development, and goods had to be transported long distances. Through immigration, our population increased more rapidly than the manufacturer's ability to supply it, without an improvement in manufacturing methods.

In response to this requirement, machinery was invented and labor-saving methods devised. The manufacturer had but two problems—to make and deliver. He turned over delivery to manufacturers' agents, wholesalers, jobbers and other agencies that came into being in response to an indicated need of distributive service. For a considerable time the demand exceeded the capacity of manufacturers, and the entire effort was to devise improved methods of mechanical production.

Improved methods of manufacture through the replacement of hand labor with machinery increased the volume of production rapidly and at the same time decreased manufacturing costs. With increased production, demand was more easily satisfied, with the result that the volume of production at times exceeded the normal requirement, and manufacturers found it necessary to create new demand; selling costs were then materially increased and greater effort was made to force goods through the channels of distribution.

Influence of Advertising.—By turning the problems of distribution over to other agencies, the manufacturer lost his intimate touch with consumer needs and depended upon the wholesaler and the other agencies to reflect the probable consumer requirements. Under liberal governmental postal laws, fostering educational opportunity, monthly and weekly magazines and papers of wide circulation came into existence about 1880 and increased rapidly in number until 1910. These magazines offered an opportunity for wide

exploitation of manufactured goods. However, to realize a profitable return on advertising, it was necessary for the makers of goods to identify their products and guarantee satisfaction.

Multiplication of Trade-marked Goods.—This led to increased branding and trade-marking of goods and packaging of foodstuffs. With the opportunity offered through widespread circulation of advertising mediums, there developed broadcast distribution of goods and a competition between manufacturers of parallel articles for national markets. This competition reflected itself in a further effort on the part of manufacturers to improve methods of manufacture and secure economics of large volume production. Competition was not confined, however, to production, but extended to the purchase of more advertising space in a larger number of publications and an increased selling effort of most intensive character.

In addition to the usual selling organizations calling upon the wholesalers, manufacturers organized specialty selling, in which they employed men to call upon retailers, distribute samples and utilize such devices as would tend to compel retailers to purchase goods through the wholesaler. Each new selling device was adopted by competitive manufacturers, with the result that the distribution of manufactured goods became a competition of spending, until it developed a burden of distributive costs in excess of the value of the commodities distributed. However, consideration should be given to the fact that in the competition of identified goods there has developed a greater excellence, uniformity, convenience, hygienic protection of foodstuffs and a radical change in the living habits of the American people. It is apparent, however, that these advantages do not sufficiently compensate for the disproportionate cost of the distribution of necessities.

Commission's Findings among Wholesale Grocers.—It is the wholesaler's function to carry reserve stock for retailers within a radius of economic distribution and convenience of service. With a few exceptions, food products are distributed by manufacturers to wholesalers, then to retailers. Exhibit 16, shows the wholesale grocer's stock investment, gross operating margin, frequency of stock turn and apparent idle investment in surplus stock for the years 1913 and 1916-1921. There is every indication that wholesale grocers can modify the cost of operation by developing a greater frequency of stock turn.

In 1913 the wholesale grocer had an average stock turn of 6 times; 1916, 5.4; 1917, 5.7; 1918, 5.1; 1919, 5.5; and in 1920, the period of greatest turnover shown in the commission's survey, the stock turn

was 6.2. The gross margin of operating expense in 1920 was 8.52 cents, of which 1.14 cents was loss, leaving a margin of 7.38 cents against the dollar of sales. Nineteen hundred twenty-one showed a return to a condition of stock surplus larger than either of the preceding years, with only 4.4 turns for the year.

Commission's Observations on Retailing.—The retailer performs the final function in distribution of essential commodities and gives fulfillment to all preceding efforts by making merchandise available to consumers at the time, place, and in the form required by them.

The retailer's true function is that of serving as a purchasing agent for his community; as such he selects and carries a reserve supply of merchandise to meet the requirements of the individual consumer.

When the retailer enters business he assumes the responsibility of performing a public function, that of providing commodities and services to his community, economically and conveniently, and maintaining such environment as is necessary and desirable to the consumers who support him. If he fails in his responsibility and performs only as a distributing agent for the manufacturer, he ceases to be an economic factor in the community which he serves.

One of the outstanding defects in retail distribution is the retailer's failure to purchase stock in a manner that will provide a steady, even flow of merchandise to the consumer without accumulation of surplus stock, which ties up capital and credit and adds to his cost of operation. It seems probable that the greatest factor of waste in distribution is in idle merchandise stock on the shelves of the retailers and the warehouses of the wholesalers. Idle merchandise accumulates a burden of interest, insurance, rent, taxes, depreciation, shrinkage and obsolescence, in addition to tying up an unnecessary amount of capital and credit. When this burden is permitted to develop, it must be passed along to the consumer if the retailer is to remain in business.

The policy of overpurchasing reflects the practice of manufacturers who make inducements to retailers to purchase in larger quantities than they can dispose of quickly. Merchandise investment reaches its highest point of efficiency when stock turns exactly correspond with the merchandise requirements of the community and the facility for purchase without exhausting stock.

Retailer Should Be Keen Student of Conditions.—The retailer can qualify as purchasing agent only as he becomes acquainted with the needs of the community, and this information cannot be secured by remaining behind the counters of his store and waiting for consumers to announce their requirements. The retailer cannot prop-

erly anticipate the requirements of the consumers in his community without becoming familiar with the demands and new requirements that result from changing economic conditions.

To this end the retailer should cooperate more closely with community organizations whose purpose it is to improve social, civic, commercial, and industrial conditions. In agricultural communities the retailer should maintain contact with farm demonstrators, agricultural colleges and workers, with a view to assisting in activities that tend to improve production, marketing, transportation, and social conditions on the farm. In cooperating with such organizations he is helping to create greater opportunity for his own success.

There are occasions when consumers feel that the retailer is not functioning satisfactorily as a purchasing agent, and there develops a disposition to create a cooperative buying organization, in the belief that it would function more satisfactorily and economically. When proper relations exist between the retailer and consumer, there is neither apparent need nor advantage in creating a new agency to perform the functions of purchasing agent.

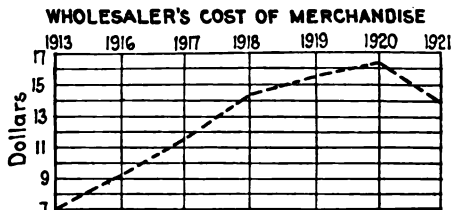
As these facts become more clearly understood by consumers there should be better support of local distributors, and this support would naturally be given to the retailers who function most efficiently as purchasing agents, with the gradual elimination of those retailers who merely serve as distributive outlets for the manufacturers.

Recommendation on More Rapid Turnover for the Retail Grocer.—When the retail grocer buys beyond the requirements of his customers in anticipation of advancing prices, he becomes a speculator, and assumes all of the risks that attach to rising and falling prices. It is seldom that a retail grocer has sufficient knowledge of supply and demand intelligently to determine price tendencies. He is influenced almost entirely by salesmen representing manufacturers and wholesalers who offer inducements of probable price increases or special discounts or probable increased demand to result from advertising campaigns and so on.

Consumers seldom buy groceries less frequently than 52 times a year and in large centers they buy as often as 300 times a year. Under modern living conditions facilities do not exist in the average home for the care and conservation of considerable quantities of groceries. In the populous sections of the country it is seldom that a retail grocer is located at a greater distance than fifty miles from the warehouses of the wholesaler, while the majority of grocers are located within twenty-five miles of the reserve stocks carried in wholesale warehouses. The commission's survey shows that the average grocer

MANUFACTURER'S DISTRIBUTION OF THE DOLLAR RECEIVED FROM WHOLESALER

AS SHOWN BY THE COMBINED AVERAGE FIGURES OF MANUFACTURERS OF 8 GROUPS OF TRADE MARKED FOOD COMMODITIES



MANUFACTURER'S DISTRIBUTION OF THE DOLLAR THE WHOLESALER PAYS FOR MERCHANDISE

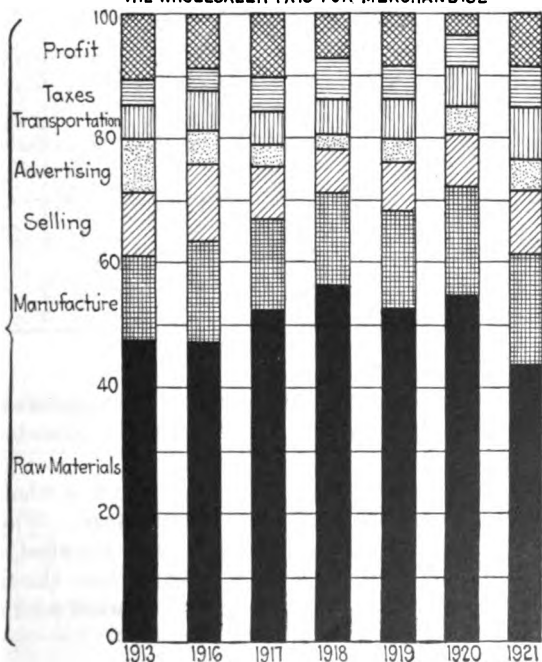


EXHIBIT 13.

turns his stock eight times in twelve months. This indicates that he carries six and one-half weeks' supply when ordinarily a two weeks' supply would afford ample local reserve. This cannot be applied to all merchandise alike, but under average conditions the retail grocer, with a reasonable knowledge of the requirements of his community, can double his present frequency of turnover and very materially

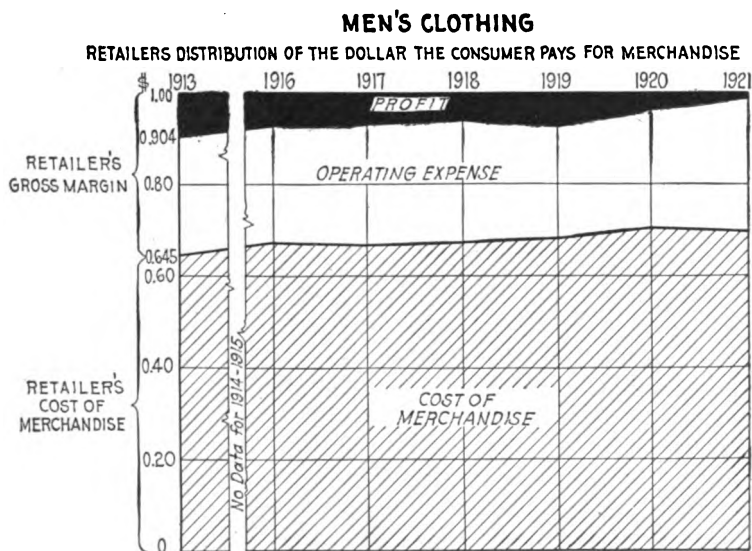


EXHIBIT 14.

modify his operating expense. The average grocer operates with comparatively small capital which quickly becomes absorbed, in surplus merchandise.

This frequently places him under credit obligation to a wholesaler and restrains him from buying to the greatest advantage. When the retail grocer permits his capital to become entirely absorbed, either in surplus stock or in an overextension of credit, he loses the benefit of cash discounts and other advantages that tend toward economical merchandising.

SPECIMEN TABLES OF COMMISSION

Exhibits 13, 14 and 15 and the tables on pages 71, 72 and 73 indicate eight different manufacturers' distribution of the dollar received for food products, a laundry-soap manufacturer's distribution of the dollar received for his product, a clothing

manufacturer's expenditure of the dollar paid by the retailer and finally how the dollar received by several groups of retailers is split, as to cost of merchandise, expense of operating and profit.

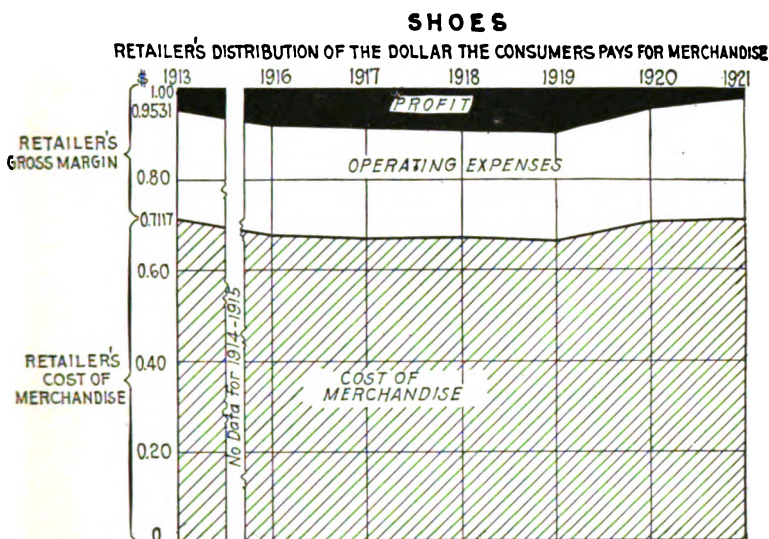


EXHIBIT 15.

DISTRIBUTION OF THE DOLLAR RECEIVED BY THE MANUFACTURERS OF EIGHT SELECTED FOOD COMMODITIES

	1913	1916	1917	1918	1919	1920	1921
	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>
Cost of raw material	48.09	47.52	52.65	56.49	52.77	54.61	43.74
Cost of manufacture	13.31	16.32	14.54	14.84	15.44	17.59	17.89
Selling	10.39	12.25	8.28	7.05	7.70	8.46	10.21
Advertising	8.49	5.35	3.74	2.39	3.99	4.29	4.77
Transportation	5.31	6.38	5.22	5.41	6.38	6.19	8.76
Taxes	4.17	3.32	5.41	6.59	5.27	4.92	6.09
Net profit	10.24	8.86	10.16	7.23	8.45	3.94	8.62
Selling price	100.00	100.00	100.00	100.00	100.00	100.00	100.00

DISTRIBUTION OF LAUNDRY-SOAP MANUFACTURER'S DOLLAR

	1913	1916	1917	1918	1919	1920	1921
	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>
Cost of raw material	64.65	65.60	69.37	71.62	69.96	67.11	56.83
Manufacture.....	8.12	7.45	10.41	10.22	12.21	13.43	11.99
Selling.....	5.32	4.81	5.05	3.91	5.56	6.97	6.86
Advertising.....	5.18	5.21	3.52	3.60	4.63	5.93	9.86
Transportation.....	6.11	5.85	4.25	4.87	5.84	6.12	7.58
Taxes.....	4.12	3.72	3.41	3.49	3.53	3.92	4.59
Profit.....	6.50	7.36	3.99	2.29	11.73	13.48	2.29

¹ Loss.

MANUFACTURER'S DISTRIBUTION OF RETAILER'S DOLLAR FOR CLOTHING

	1913	1920	1921
	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>
Cost of raw material.....	26.60	30.60	26.70
Cost of trimmings.....	17.80	13.50	14.80
Manufacture.....	29.30	28.50	34.20
Overhead.....	19.00	21.60	22.10
Profit.....	7.40	5.90	2.20

CONSUMER'S DOLLAR SPENT FOR DRY GOODS

	1913	1916	1917	1918	1919	1920
	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>
Cost of merchandise.	65.90	66.40	66.50	66.80	69.50	67.60
Operating expense....	26.90	26.30	27.40	27.30	25.60	26.00
Profit.....	7.20	7.30	6.10	5.90	4.90	6.40
Total.....	100.00	100.00	100.00	100.00	100.00	100.00

CONSUMER'S DOLLAR SPENT FOR MEN'S AND BOYS' CLOTHING

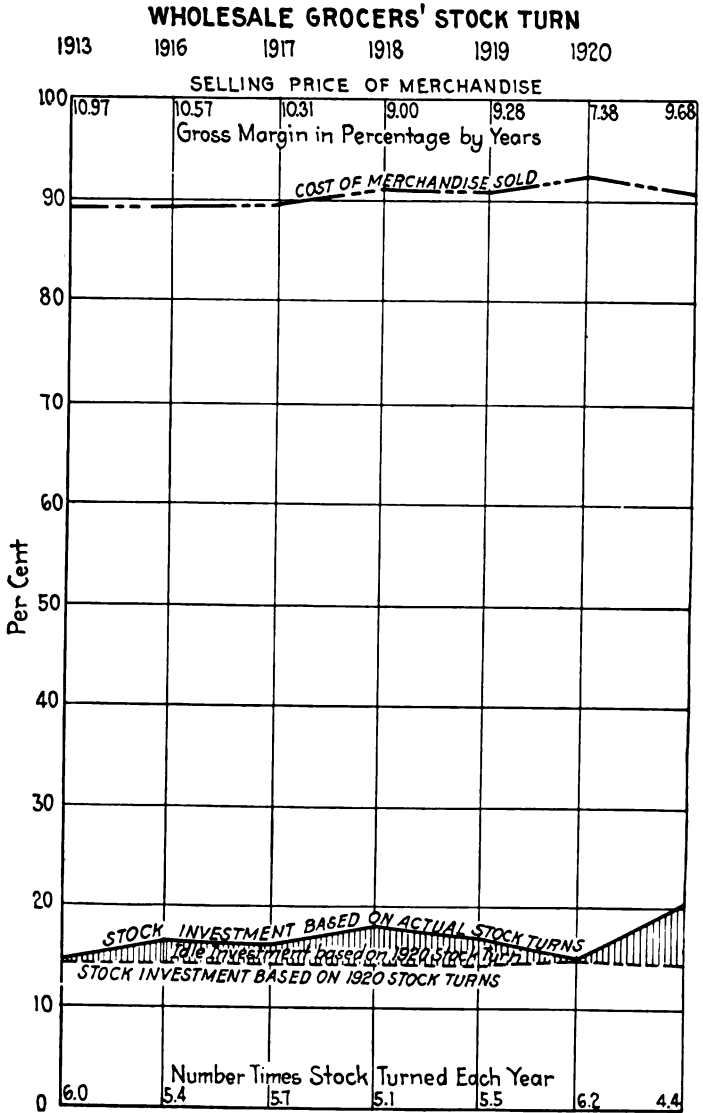
	1913	1916	1917	1918	1919	1920	1921
	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>
Cost of merchandise	64.50	67.60	67.00	67.50	68.10	70.70	74.84
Operating expenses	25.90	25.20	25.90	26.50	24.00	25.70	24.03
Profit.....	9.60	7.20	7.10	6.00	7.90	3.60	1.13
Total.....	100.00	100.00	100.00	100.00	100.00	100.00	100.00

CONSUMER'S DOLLAR SPENT FOR SHOES

	1913	1916	1917	1918	1919	1920	1921
	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>
Cost of merchandise	71.17	67.96	67.11	67.70	66.86	71.58	71.60
Operating expense..	24.14	24.45	24.21	24.07	23.78	25.25	26.88
Profit.....	4.69	7.59	8.68	8.23	9.36	3.17	1.52
Total.....	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Charts Showing Stock Turn.—The charts shown in Exhibits 16, 17 and 18 show a comparison of a stock investment based on actual turn with the stock investment based on the greatest turn shown during the period 1913 to 1921. The first of these charts illustrates the history of a typical wholesale business over a period of years and the other two, the record of representative retail businesses over a similar period.

Other Chart Exhibits of the Commission.—In Exhibits 19 to 23 inclusive are reproduced an additional group of the charts incorporated in the report of the Joint Commission of Agricultural Inquiry. These charts set forth graphically such trade conditions as costs of merchandise, costs of selling and profits, in representative lines of business during a period of years when buying was first about at normal, then above, and finally below normal.



ЕЖИВІТ 16.

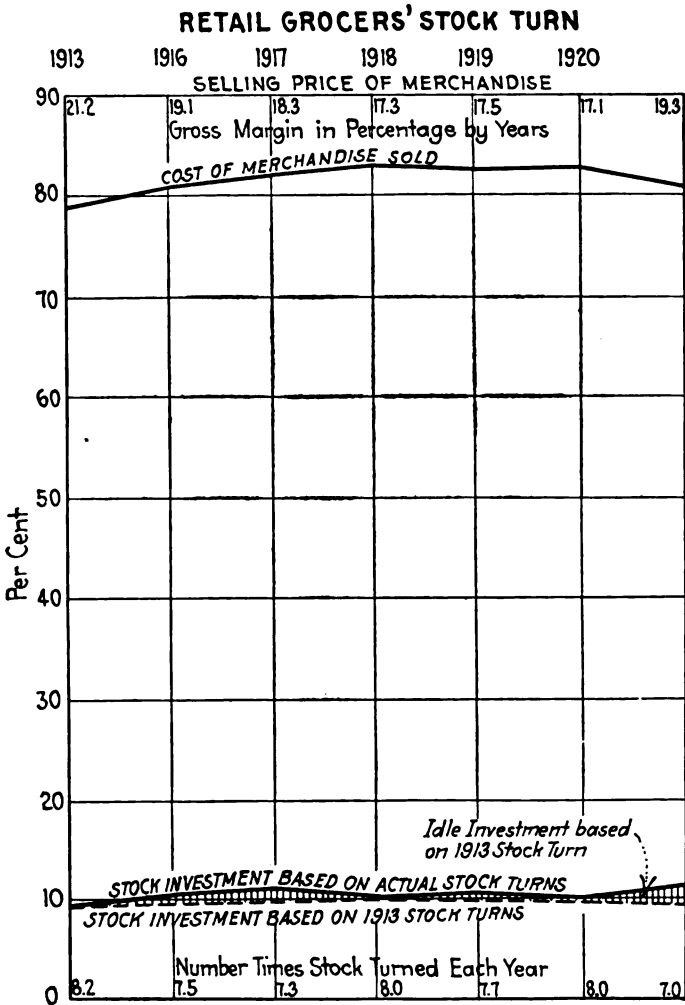


EXHIBIT 17.

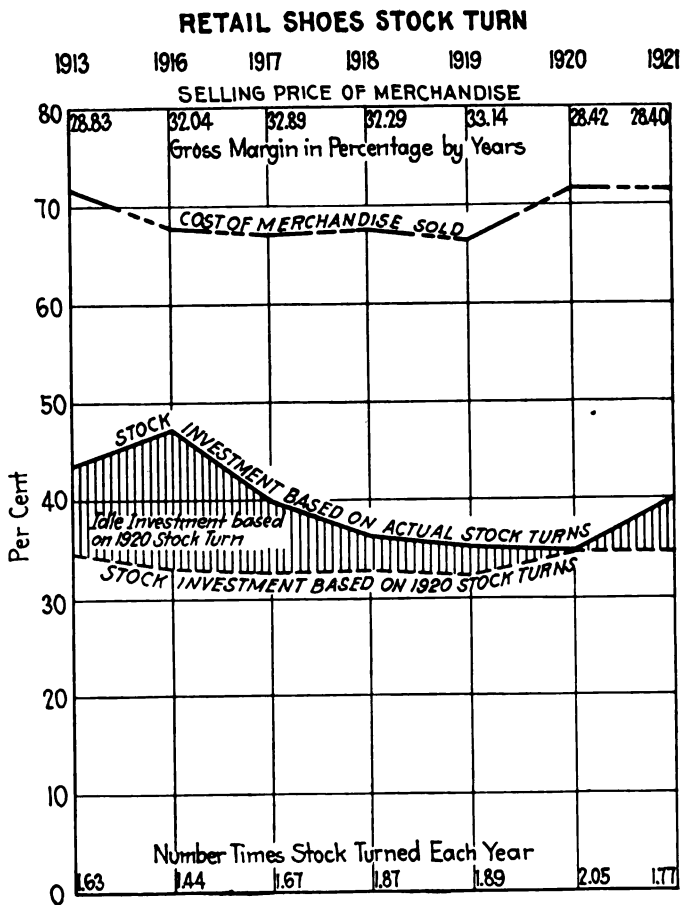


EXHIBIT 18

DRYGOODS-RETAIL
 TOTAL OF AVERAGES OF 37 COMMODITIES
 1913-1921

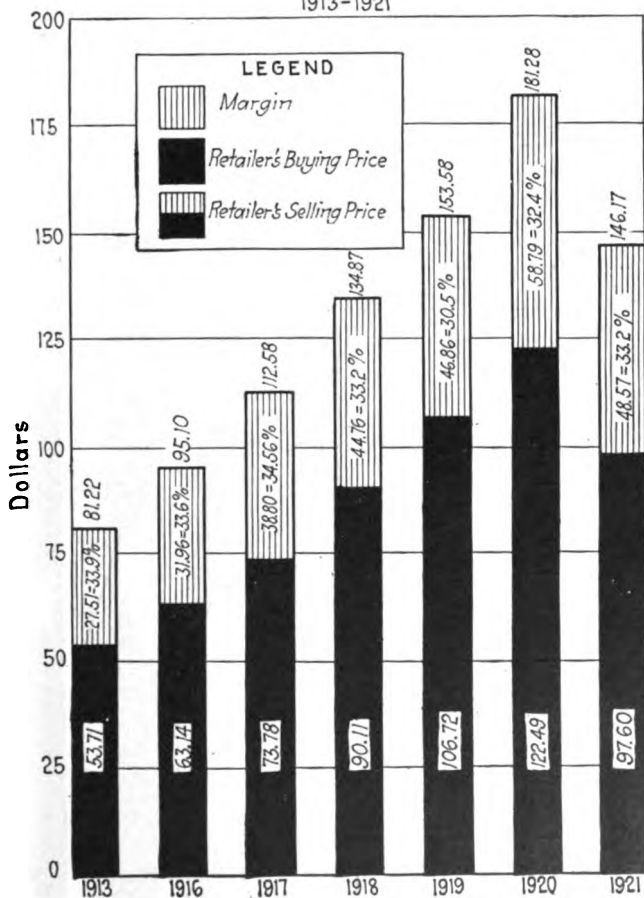


EXHIBIT 19.

GROCERIES - RETAIL
 TOTAL OF AVERAGES OF 37 COMMODITIES
 1913 - 1921

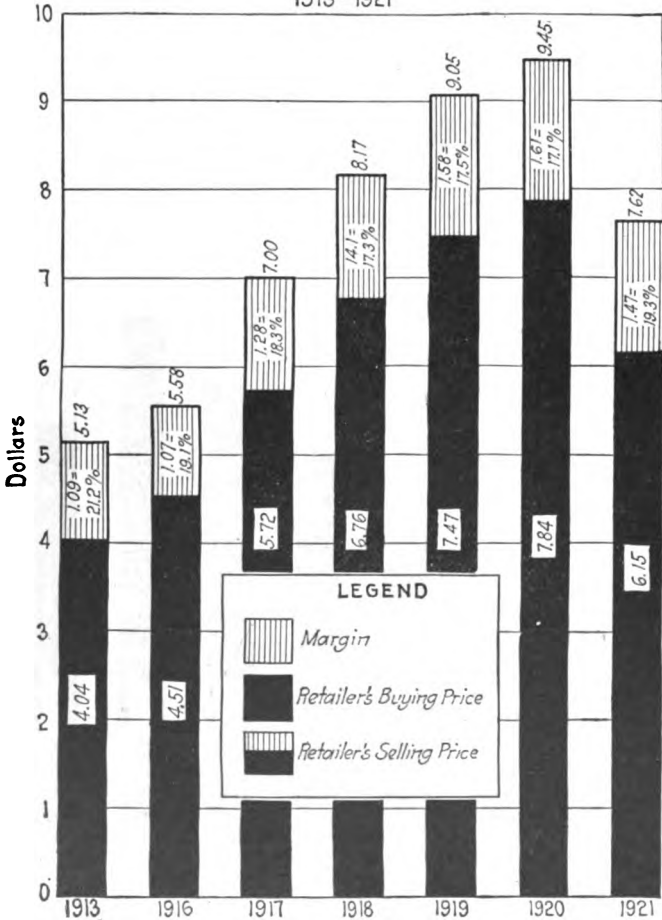
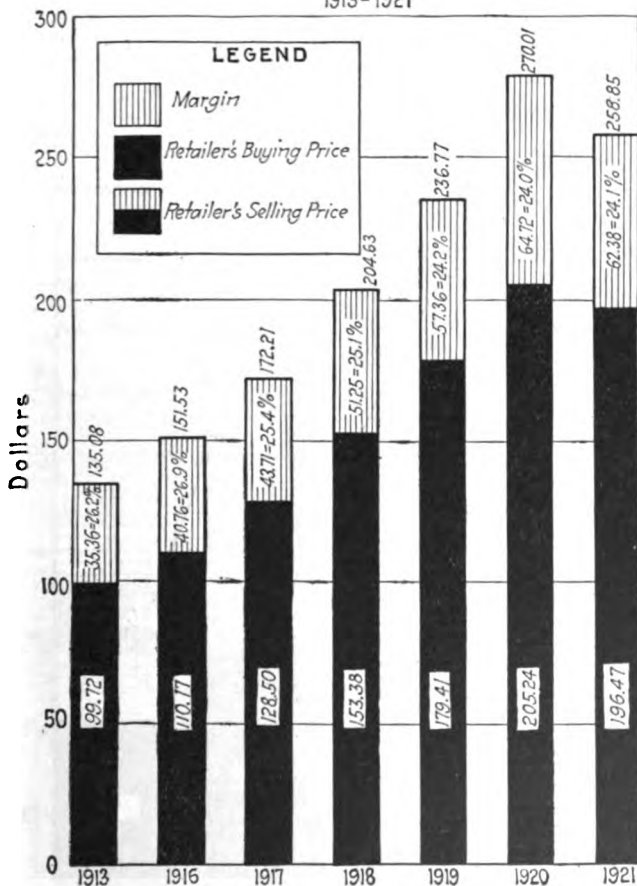


EXHIBIT 20.

HARDWARE - RETAIL

TOTAL OF AVERAGES OF 35 COMMODITIES

1913-1921



Експіт 21.

CORN FLAKES

DETAILED DISTRIBUTION OF THE CONSUMER'S DOLLAR BETWEEN THE PRODUCER, MANUFACTURER, WHOLESALER AND RETAILER

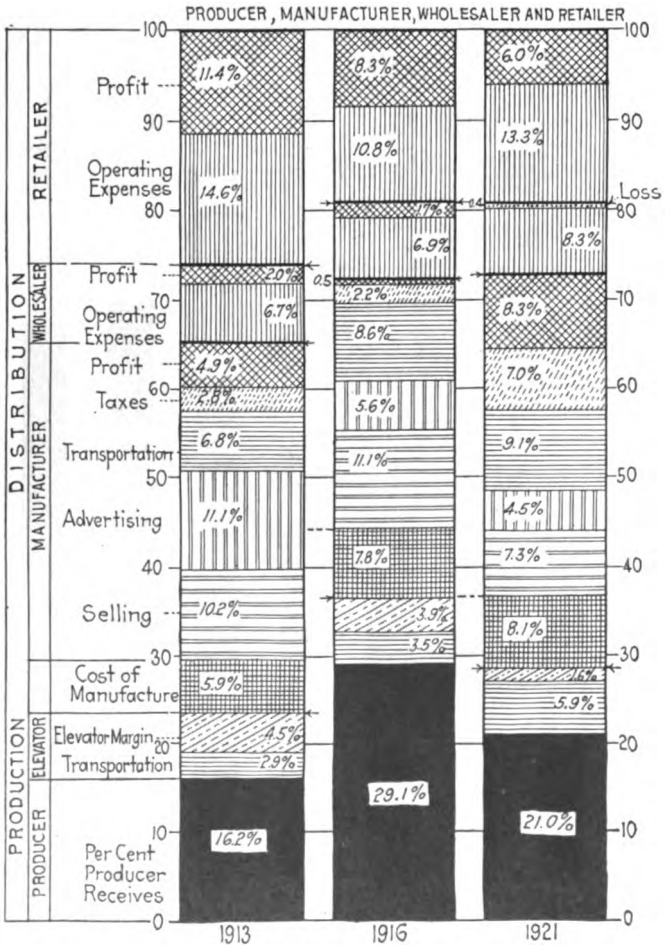


EXHIBIT 22.

MEN'S SUITS

DETAILED DISTRIBUTION OF THE CONSUMER'S DOLLAR
BETWEEN THE MANUFACTURER AND RETAILER

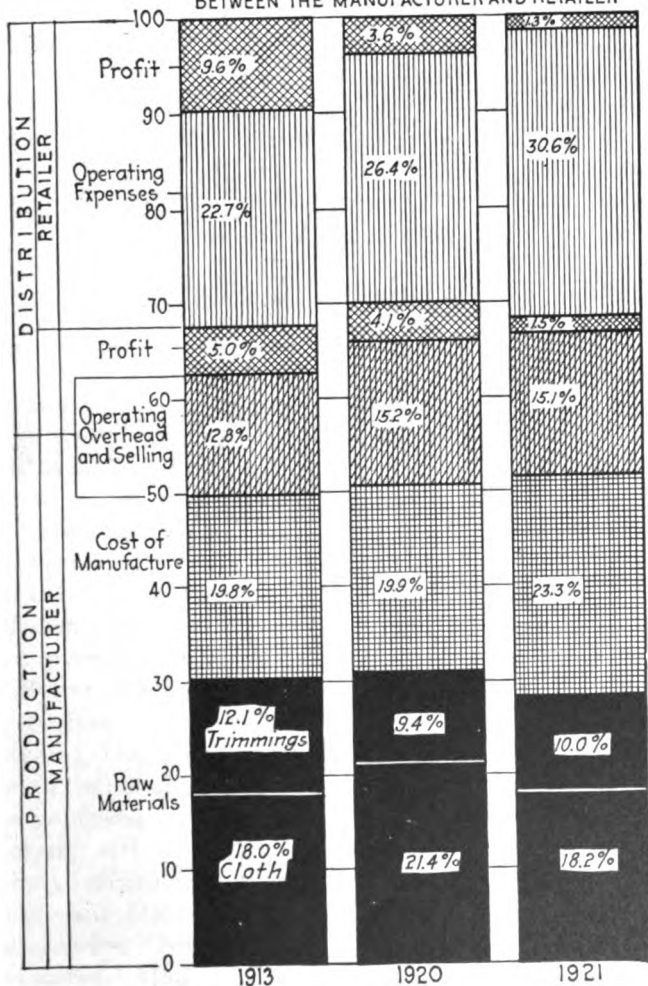


EXHIBIT 23.

Particular attention should be given to Exhibit 22. According to this table 63 cents of the consumer's dollars was paid for the distributing of 37 cents' worth of corn flakes. If the governmental tabulation is as accurate as it should be, it

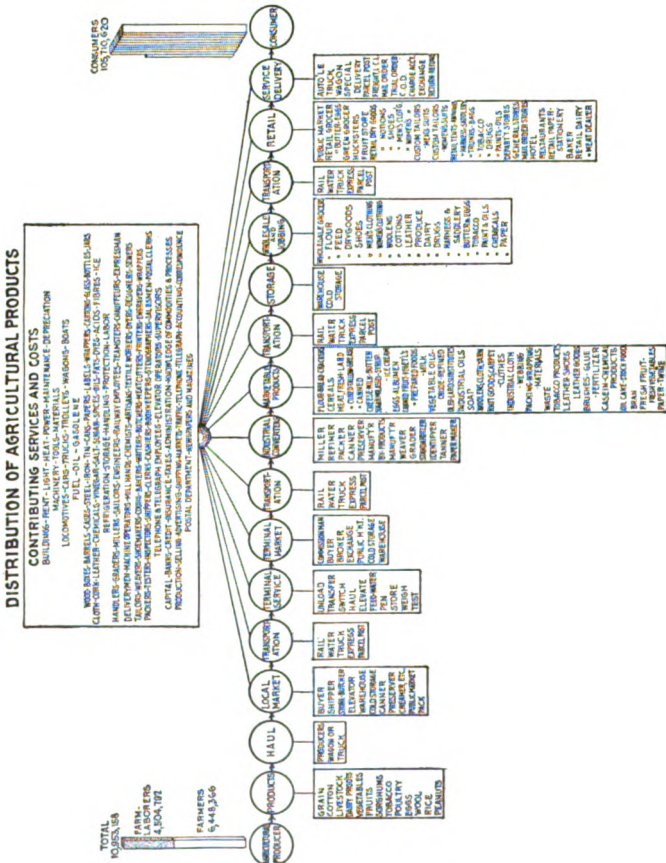


EXHIBIT 24.

shows the need of reduction in distribution costs. The Joint Commission points out that this probably could be effected by an increased turnover on the part of the wholesaler, and a reduction in the operating expense of the retailer.

CONTRIBUTING SERVICE CHARTS

Exhibits 24 and 25, showing the contributing services and costs that enter into the distribution of agricultural products and the many points of contact made by wool and wool products before the consumer is reached, illustrate once more the many-sided problems involved in the distribution of a basic commodity. Such charts must suggest to the thoughtful reader that there is no one simple solution of "the high cost of distribution"—wherever this high cost exists—but that effective and economical distribution calls for close study of the entire trade channel or route.

THE QUESTION OF MIDDLEMEN

Any discussion about the problem of distribution or the topic of selling costs in particular necessarily soon brings in a consideration of middlemen, their real service to the commodity under study, what is a proper cost for their service, and so on.

There is not perhaps, except among the unthinking, so much talk about entire "elimination of middlemen" as there was a decade or so ago. Along with the steady and entirely justified demand of recent years for reduction of exorbitant middlemen's expense has come an appreciation of the real service given by progressive middlemen.

A Better Understanding of Middlemen's Function.—As a business writer in the *Saturday Evening Post* recently maintained, "hardly any serious studies of marketing methods condemn middlemen wholly. They cannot be eliminated unless improved systems of distribution are developed."

Packers, milk distributors, ready-made clothing manufacturers, automobile manufacturers, builders of sewing machines and others have been successful in doing away with the wholesaler. Some manufacturers are operating their own retail stores. Mail-order houses have their own factories, and chain stores require no middlemen. Even so, middlemen continue to figure greatly in distribution. Middlemen are very valuable to those producers who are too small to market their products separately. Middlemen, knowing the require-

DISTRIBUTION OF WOOL AND WOOL PRODUCTS

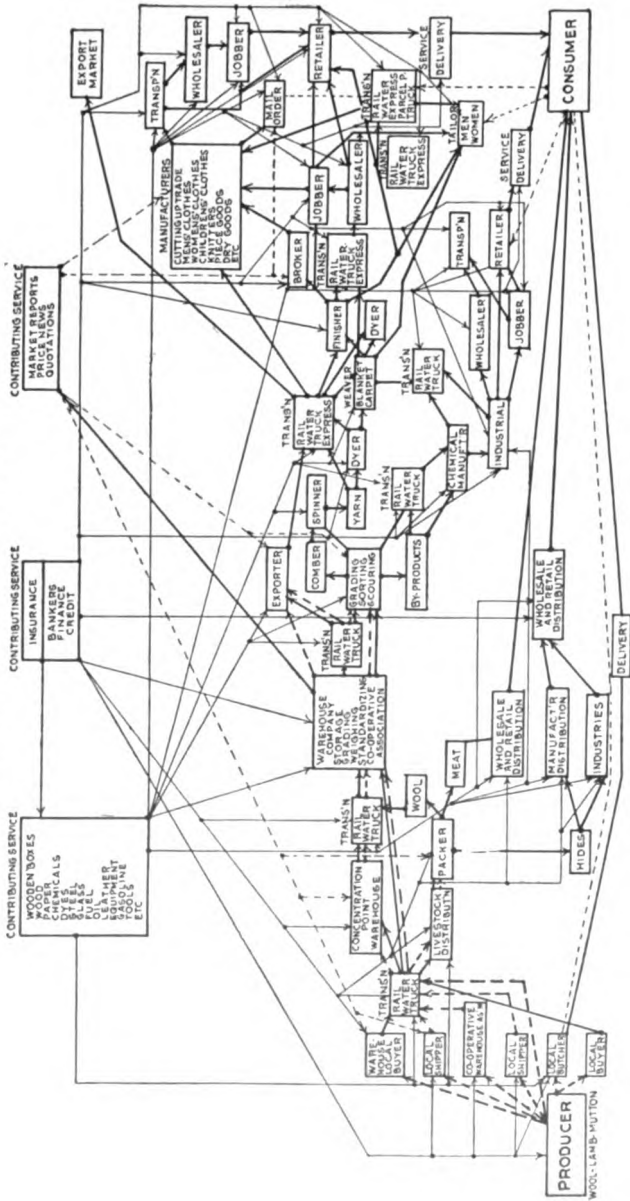


EXHIBIT 25.

ments of the trade, gather goods from everywhere, and in consequence make hundreds or thousands of business connections. They may pay the manufacturer cash and sell the goods on credit. They stock quantities and in consequence must sometimes sustain a loss through decline in price. They give warehousing service, they ship in small lots, they take on themselves the burden of credit determination, collection of accounts, frequent calls by salesmen and so on.

By being able to draw upon the middlemen's supply the retailers need not dissipate energy in having to get goods from so many different points. Retailers can thus give complete attention to the selling problem.

Selling through Jobber or Direct to Retail Trade.—Two significant decisions in trade circles were made in the last ten years: (1) The decision of Procter & Gamble to sell Ivory Soap direct to the retail trade rather than through wholesalers, and the establishment of Procter & Gamble's own territorial distribution systems; (2) the seemingly opposite decision of the Victor Talking Machine Company to establish permanently the policy of selling through jobbers.

Both concerns make a well known product that has become a staple. Both products are unusually well advertised.

Neither concern has made a detailed public statement of its reasons for the decisions here described, hence these comments must be regarded as being from an outside point of view and in the nature of general observation. As both organizations are made up of sagacious men, there can hardly be any doubt that there were conditions in the trades, through which they distribute their products, that made the decisions seem wise.

Probable Desire for Better Control of Ivory Soap.—The likelihood is that the manufacturers of Ivory Soap wanted more direct control of the sale of their goods. Possibly wholesalers were taking too great a benefit from its demand and giving too little effort in return. It is well known that wholesalers control many products under their own brands and are constantly tempted, through the offering of larger profits, to push products that are in competition with the older and better known brands.

Factors Determining Victor Policy.—In the case of the Victor Talking Machine Company, there were a number of conditions given consideration: (1) Sentiment about the fact that the jobbers had played an active part in the early success of the Victor Company; (2) that doing away with the assistance of the jobbers would make necessary the creation of a large selling force to take the place of the jobber sales-staffs; (3) that a change of plan would make necessary the providing of facilities for shipping small orders, for credit determination, for collection, for extensive warehousing, etc.; (4) finally, the encouragement to the jobbers, if they were dropped, to take the agency for other talking machines or phonographs, or to become manufacturers of such products, and thus make of them active competitors.

Shortest Route Not Always Most Economical.—While much is said about advertising and sales effort shortening the route to the consumer, shortening the route to the consumer may not always actually be a more economical or more strategic method.

Simplification of Route through Development of Business.—The history of many organizations shows that the development of sales regulates the trade channel or method of distribution.

A large cement company twenty years ago sold its product entirely to a few regional agents, one agent having the entire New England field. Then followed the period when sales were made to a larger number of distributors who served as wholesalers and supplied the retail dealers. As cement came to the point of being a staple and shipments to even the small communities could be made in carload lots, the distributors vanished from the distributing chain and sales are now made by practically all cement companies direct to retail dealers.

At the outset of this great business, however, an attempt to sell direct to retailers generally would have been impracticable and exceedingly expensive.

Wholesale Trade View of Procter & Gamble Policy.—Whatever reasons Procter & Gamble, manufacturers of Ivory Soap, may have had for changing their distribution

policy, the result so far does not indicate a complete success for their new plan of selling direct to the retailer. The problem is a many-sided one. The mass of retailers buy in small quantities and are accustomed to fairly liberal credits. They are not always in a position to buy the larger lots that a manufacturer, selling direct, aims to dispose of in one sale in order to have his selling cost low.

What Dr. Haney's Research Shows.—A research conducted by Dr. Lewis N. Haney, Director of the Business Research Bureau of New York University, indicates that the new method of Procter & Gamble has been used as a means of disposing of products other than Ivory Soap to the grocers. In other words, it has afforded the company a better chance to talk the combination sale and the larger quantity, even though it must be admitted that this is not always agreeable to the retailer.

Dr. Haney's review indicates that the experiences of several wholesale grocers handling Procter & Gamble's products show that sales have suffered by the new policy. There are also indications that this large soap manufacturer is willing to give some wholesale grocers exclusive territory and is willing to make use of wholesale grocers in other lines such as those dealing in butter, eggs and other farm produce. It seems inevitable that the new policy of this soap manufacturer will require a large sales force and frequent calling on the trade. It also seems inevitable that unless good-sized combination orders can be sold regularly, the new plan will be loaded with a large margin of selling expense, though it will afford the manufacturer direct control of his selling organization.

Whether such a policy would be wise in the case of large manufacturers generally is open to grave question. Any manufacturer who is thinking of attempting sales direct to the retailer would do well, before launching his plans, to look carefully into the experience of such concerns as the H. J. Heinz Company, as well as the experience of Procter & Gamble here briefly referred to.

Further Observations by Dr. Haney.—Dr. Haney makes the following interesting additional comment on the new plan of the Ivory Soap manufacturers:

After a careful examination of the various factors in the situation, I am of the opinion that combination marketing in such cases as that of Procter & Gamble must mean either wasteful distribution or monopoly. My conclusion is based on the following reasoning: If all soap manufacturers were to sell direct to the retail trade, there would obviously be great waste on account of duplication—assuming that wholesale grocers continue in existence. We would have half a dozen or more branch houses in each marketing territory added to the houses of the wholesale grocers. There would be a great increase in salesmen and also in office force involved in distributing soap. Also there would be waste in transportation. The situation would be somewhat analogous to a water company if it were to try to pipe the water to each house direct from the plant. Now, then, if one soap manufacturer sells direct we have a proportionate waste; to the extent of his single business we have a duplication of facilities and force. Thus, Procter & Gamble by increasing sales force, renting space in local warehouses and hiring local drayage concerns to make deliveries, are duplicating the facilities of wholesale grocers already in existence. This is wasteful. It is possible that waste in one direction may be offset by a gain in another direction; but such an offset does not appear to exist in the case before us, for no real economy in distribution from the social point of view is apparent.

Lessons to the Wholesale Grocer.—The following are also interesting observations by Dr. Haney, made before a group of wholesale grocers:

As a result of the study which I have made, I think we may draw certain lessons which will be of value to the wholesale grocer.

1. In the first place there are certain danger signs which should be observed by the wholesaler in his dealings with manufacturers. I mean certain signs that manufacturers are preparing to enter the wholesale business as competitors. Such signs are the use of excessive advertising, including specialty men. Please note that I say "excessive" advertising. A certain amount of advertising and a reasonable number of specialty men may be employed to advantage, but when a product has practically 100 per cent distribution such devices are little required. When a manufacturer uses them unnecessarily it is a danger sign. The establishment of branch houses may also be mentioned in this connection.

I would also mention as of questionable desirability, and as indications of encroachment on the jobbers' field, the policy of maintaining resale prices and the policy of guaranteeing against decline. I know

that these things are desired by some wholesale grocers, but I believe that a more careful analysis of their significance will convince you that by putting in force these policies the manufacturer is entering into your proper field. As wholesale merchants, you should buy your goods, take possession and sell them at such prices as are in your judgment wise. You should also take the risks which attend any merchandising operation. The manufacturer who can attend to these things for you can dispense with your services.

2. The second lesson is that the wholesale grocer should study the difference in service rendered by himself to different manufacturers; or in other words, should study the different services rendered by manufacturers to him in connection with the marketing of their products. Some manufacturers advertise more than others. Some employ specialty men to a greater extent than others. The products of some have a more rapid turnover than others. In view of these facts, is it not important that a careful study and analysis should be made of the situation with the idea of adopting some standard differentials in discounts, according to the work that the wholesaler has to do under different circumstances?

Views of California Raisin Producers.—The California Associated Raisin Company, in adopting the policy of eliminating the broker, gave this explanation:

We have no complaint to make regarding our brokers who have given loyal service, as satisfactory as could perhaps be rendered under such a system . . . Marketing systems present complexities today which obviously require our giving more assistance in distribution to our wholesalers. We can do this only by direct representation in the field.

In order to reap maximum results from the demand which our big advertising campaign is creating we must have the greatest possible distribution of our brand among the retailers . . . The elimination of the brokers is not proposed as a measure of economy. On the contrary it may mean additional expense, but we believe "Sun Maid" brand will eventually profit materially if our own specialty men, not hampered by side lines, are in constant and intimate touch with the agents of distribution.

This seems a frank admission that the elimination of the middleman is not always regarded as an economy in distribution, but as a means of reaping a larger benefit from an aggressive publicity campaign. It is obvious that the manu-

facturer selling through a wholesale broker, who markets a number of different lines, cannot get the cooperation and specialization on his products that he would get in selling direct to the retailer with his own field men, who give their entire time to one brand. The plan of selling direct to retailer makes it easier to dispose of new products that such a manufacturer may make ready for marketing, but it may also have the effect of overloading the grocer and so prevent rapid turnover.

Advantage of Heinz Plan as the Company Sees It.—An official of the H. J. Heinz Company describes the advantage of this organization in dealing direct with the retail trade in the following language:

We have our own sales force calling directly upon the retail trade. We make our delivery, billings and collections through our own warehouses. We do not solicit wholesalers at all, but when they come to us for goods, we do allow them a discount sufficient to cover their cost of handling.

Only by such an organization can we control the quality and freshness of our products until they reach the consumer. Our goods are perishable, and our own salesmen are charged with the responsibility of keeping Heinz products in good condition in the stores. This eternal vigilance, as well as our merchandising and advertising activities, are possible only to a "seed to consumer" control.

The Heinz Company maintains its own warehouses, as well as facilities for breaking bulk shipments, making deliveries, performing clerical service, etc. In other words, it has not dispensed with the usual wholesale machinery but has made this a part of its own organization. The company's great variety of products gives it an unusual opportunity for carrying out this plan. Whether its rehandling costs at its warehouses are lower than the usual wholesalers' cost has not been made public.

Certainteed Products Plan.—The Certainteed Products Corporation sells to both jobbers and retail dealers, but gives no exclusive territory, either to a jobber or to a dealer.

A monthly price list is sent to all retail dealers, showing the price at which goods may be obtained direct from the factory. Jobbers receive a slightly better price. The difference in price

between the jobber and the dealer is large enough to be attractive to the jobber but not large enough to tempt him to cut the price to the dealer.

This manufacturer is striving to increase his list of jobbers to the point where it will not be necessary for the company to maintain warehouses but be able to ship all of its products, as manufactured, direct to the distributors. Progress is being made in this direction. The company formerly had forty warehouses but now maintains only nine.

The number of Certainteed wholesalers in a given territory may be large so long as the distributors do not interfere with each other. The plan is to cover all territory adequately but to have as little duplication of effort as possible.

While this manufacturer does not sell direct to consumers, he has found it worth while to do a certain amount of educational work among consumers rather than to leave this undertaking entirely in the hands of dealers. Sometimes a list is obtained from a dealer and the salesman of the manufacturer calls on these prospective customers, not with the idea of selling to them direct, but with the idea of turning the leads over to the dealer when interest has been stimulated.

Why Other Concerns Hold to Jobber Distribution.—The Apex Electrical Manufacturing Company is following with marked success the plan of jobber distribution.

The Weyman, Bruton Company and the Southern Cotton Oil Company believe firmly that the jobber is better qualified for this work and can do it more economically than the manufacturer. Some other great concerns which follow the method of jobber distribution are the American Sugar Refining Company, the Corn Products Refining Company and the American Tobacco Company.

The North American Lace Company has taken space in trade papers to make clear to retailers the jobber's true function. This concern sets forth in its advertising:

The retailer's biggest single factor is a well chosen and varied stock. Of the many reasons why customers fail to buy, the chief reason is insufficient assortment. Make full use of the jobbers to keep assortments full without heavy reserves.

The Russia Cement Company and the Remington Arms Company have done similar advertising.

(Summarized from *Printers' Ink.*)

Exclusive Dealer, or Sales to All Dealers?—Two well known hat manufacturers follow dealer-representation plans that are diametrically opposite. One has exclusive agencies, while the other sells to dealers generally.

In deciding whether the selection of a dealer who is to have exclusive representation is a better plan than to attempt to make sales to all reputable dealers, a manufacturer or a wholesaler must take into consideration these conditions:

1. The general demand for the article.
2. How long it has been on the market.
3. The location and extent of a dealer's business.
4. The effect on the consumer of having a number of dealers handle the goods as against the plan of having an exclusive representative.
5. Protection of the manufacturer or jobber in case an exclusive arrangement is entered into.

Such firms as National Biscuit Company and H. J. Heinz Company sell their product to all retail stores with which good business relations can be maintained. These concerns make goods of popular consumption that are not of such exclusive nature or design that a consumer would leave one store, ordinarily, and go to another if unable to obtain the goods at the store at which she first called. As a matter of fact, the sale of these goods by a dozen grocers in a community increases the popularity of the brands and make more business for all.

The situation is different with a fine make of piano, and even more so with a product like an automobile. Here a decided brand-preference can be created, and the customer will go to the store offering the instrument or machine for which he has some preference or in which he at least has an interest.

Between the two extremes of the manufacturer who sells to all retailers and the manufacturer who sells to one carefully selected retailer in each community, there are manu-

facturers and jobbers who take the middle ground and sell to a restricted number of dealers.

A well known shirt manufacturer, for example, in a city of about 100,000 population will sell to one men's clothing store, one haberdashery and one dry goods store. Thus, the manufacturer gives his product sufficient representation, while at the same time holding agencies down to a number that makes them worth something to a retailer and requires him to push sales properly in order to hold his agency.

This, like many other questions of merchandising, cannot be settled by rules. It calls for close study of conditions and the future of a business as well as the present. Often the progress of a business brings about a change in the dealer representation plan. For a while an exclusive agency may be best for a given product. With the increase of its consumption and popularity, it may be advisable for several dealers or a score of dealers in a community to carry the goods.

Increase of Sales by Increase of Dealers.—The Victor Talking Machine Company, for example, once sold its product to a much smaller list of jobbers and dealers than it does today. Eventually, this company by increasing its list of jobbers and having a number of dealers in the more populous communities, largely increased its sales, and the jobbers and dealers that formerly enjoyed an exclusive agency in a certain territory actually had their sales increased. In other words, unified effort made for more business for all the dealers.

The sale of most products seems to increase in volume when handled by several dealers in a given territory. The exceptions to this principle seem to be found particularly in towns and small cities where sales are limited and where a product thrives by being handled by one progressive merchant exclusively. In the larger territories it is improbable that the local advertising of a single merchant can be sufficient to tie-up and give him the full benefit of the national advertising campaign of a progressive manufacturer.

The Mallory Hat Company limited itself to one dealer in New York City for ninety-eight years. Following a change of this policy, their former exclusive agents reported a decided increase in sales. The reason for this is self-evident. The

combined advertising of several merchants increased the demand for the product, which in turn enabled the manufacturer to do some added advertising locally.

The manufacturers of Holeproof Hosiery had a similar experience in the same city. When they increased their number of dealers, their original exclusive agent benefited by a larger volume of sales.

These instances do not prove, however, that exclusive agency may not be better for many high-priced commodities.

DISTRIBUTION PLANS IN CARPET, TEXTILE, KNIT GOODS AND HOSEIERY FIELD

The following brief descriptions of the distributing plans followed by a number of representative concerns producing rugs, cotton fabrics, knit goods, sweaters, hosiery and other specialties, indicate present-day situations and trends.

A Well-known Carpet Manufacturer.—A manufacturer of well-advertised carpets sells direct from the mill to retailers. Eight men cover thirty or forty of the largest cities with fifteen trunks of samples. This company follows the plan of having from one to five dealers in each town or city. About 80 per cent of the goods is distributed to retailers in cities of less than 50,000 population. Particular attention is paid to the smaller retailers, in the belief that the larger stores are in a better position to take care of themselves.

Manufacturer of Sweaters and Knit Goods.—A well-known manufacturer of sweaters and knit goods divides the United States into twenty-five zones and sells to one jobber in each zone. Its sales agents check up the jobbers to see that agreements as to sales volume and service are fulfilled. In return for the exclusive territory privilege, a jobber agrees to maintain a certain standard as to the selection of retail dealers and prices. Through this method the manufacturer has about 4,000 retail dealers and annual sales running from \$2,000,000 to \$3,000,000.

Experience of Another Textile Manufacturer.—A prominent New England textile manufacturer sells solely through the jobber and has no contact direct with retail stores. This

concern has, however, for years been promoting a plan for demonstrating its product in the larger stores. A special department is maintained to arrange suitable demonstrations of the product in the larger stores and to book dates for demonstrations through the jobbers.

Manufacturer of Silk Hosiery.—A prominent manufacturer of silk hosiery divides the United States into seven zones and sells to about 1,000 retailers. Each zone is covered by one salesman, with the exception of the New York zone, where three men are required.

While there is no definite contract between manufacturer and retailer, it is the practice of the company to have but one dealer in each trading locality, thus virtually giving exclusive territory. There are some variations from this plan in the larger cities but even in the larger territories the policy of the company is to sell to only a few dealers.

Experience of Another Hosiery Manufacturer.—A second hosiery manufacturer producing goods that sell at lower prices than the one whose plan is outlined in the preceding paragraphs, sells entirely to the larger jobbers. This concern sells other fabrics in addition to hosiery. It has not attempted to do any missionary work among retailers. While some of the items produced could be sold direct, they form a minor part of the business and it is the belief of the management that any attempt to deal directly with the retailer would antagonize the jobbers, who have a strong grip on the more important items. A representative of this concern expresses the opinion that margins in the cotton lines are too small to justify aggressive work by the manufacturer direct among many thousands of retailers.

Plan of a Manufacturer of Blankets.—A New England manufacturer of trade-marked blankets markets his entire output direct from the mill to about 3,700 retailers among the dry goods and department stores. This concern has trained its dealers to send in their orders by mail. A well illustrated catalogue is sent out, accompanied by separate price list. This manufacturer also issues a separate catalogue of sales aids, showing store cards, "cut-outs," logotypes and complete plates for newspaper advertising.

The direct-by-mail plan has been so successful that only five salesmen are needed to cover weak spots. This manufacturer, however, has little competition in the particular kind of product offered, which may account for his ability to make large sales with little personal effort by salesmen.

Platform of Large Manufacturer of Cotton Goods.—One of the best known producers of cotton goods markets his output through a selling agency. Only three salesmen are required, and these cover jobbers and the largest department stores. Department stores are supplied through jobbers, no matter how large the volume of their buying. The belief of this company is that a plan of selling direct to the largest retailers and letting the jobbers supply the smaller accounts would be unsound. By supplying the trade solely through the jobber, the company is in a position to insist on hearty support.

The weak point seems to be that the manufacturer has no record of who handles his goods among the retailers and no contact with the trade for missionary work. Retailers are called on sometimes when the salesman has nothing else to do, but there is no systematic effort. The fact that this company enjoys a large sale, being oversold much of the time, lends little encouragement to more extensive work among retailers.

Methods of Manufacturer of Silk Cloth and Spool Silk.—Competition in the case of a well known manufacturer of silk cloth and spool silk is so keen that the firm does not deem it advisable to leave its fortunes entirely in the hands of the jobbers. The force of seven salesmen call on manufacturers, jobbers and retailers, covering 3,000 accounts in New England territory. An effort is made to maintain complete information at headquarters about the buying and selling facilities of each customer. Stores are grouped by cities and the cities grouped geographically, so that when a salesman starts out with a route-list he can cover much ground in one trip.

Methods of Sales Agency Marketing Blankets, Gingham, Shirtings, Flannels, Etc.—A well known commission house representing ten mills producing blankets, ginghams, sheetings, shirtings, flannels, etc., sells exclusively through jobbers. A staff of twelve salesmen covers the entire United States.

In this case, however, the salesmen do no missionary work among retailers but leave this contact entirely to the jobbers. This attitude is typical of the attitude of many commission houses, selling agents and even manufacturers who have for years done business through the jobbers. Many of them go so far as to indicate that they think any attempt to deal direct with the retailer would be a breach of ethics in their relations with jobbers and would create suspicion and possibly antagonism.

Change of Plan of Manufacturer of Carriage Robes, Horse Blankets and Nettings.—A New England concern operated for many years as a selling agency for such products as carriage robes, horse blankets and nettings. The general introduction of the automobile made it possible to produce a number of rubberized fabrics and upholstery textiles that were sold direct to automobile manufacturers, especially those products known as "yardage products." The original carriage robe became an automobile robe, sold direct to retailers.

Soon after the war this organization converted a large factory into an overall plant and adopted the policy of going after the retail trade vigorously. The jobber was dropped as a link in the distribution chain and the salesman was supported by an extensive mail-order campaign directed to about 100,000 retail dealers. This mail-order campaign has gradually taken over the sales work, so far as overalls are concerned, until the sales staff has been reduced to a small number. The management is of the opinion that the mail-order plan will be the plan for all time with the smaller retailers, leaving the larger merchants to the attention of the sales staff.

SHALL ACTIVE SELLING BE LEFT TO JOBBER, WHOLESALER OR RETAILER?

In the past a great deal of active selling has been left to jobber, wholesaler or retailer, particularly with respect to staple lines. This topic is a large one to which volumes could be devoted. It is a topic rather more suitable for a series of volumes on the economics of business than for a handbook of sales practice.

It is safe to record the fact that modern sales practice indicates a general tendency, on the part of producers of goods that require specialized knowledge or expert service, to rely on the trade for only a certain amount of selling effort.

It is recognized that tradesmen—including in this term all who handle the article, whether importer, jobber, wholesaler or retailer—cannot be specialists in all lines of merchandising and that they often have scores, maybe hundreds, of lines to sell. Therefore, the producer in self-defense must maintain a certain sales effort of his own. This may mean having:

1. Men who work for a while with the distributing agent in coaching him how to sell the goods.
2. Men who return to the field of the distributing agent at intervals to bring about renewed effort.
3. Men who aid the wholesaler or the retailer regularly.
4. Men who devote themselves to correspondence or other communication with the trade.

It is significant that a number of business organizations that formerly had men working as salesmen only during short seasons of the year are disposed to lengthen these periods and to keep their men out in order to create good-will, give service to consumers of the product, carry out strategic plans such as giving talks before business bodies, and so on.

There is always to be considered in such planning whether extended employment of the salesmen really accomplishes the purpose or merely adds unreasonably to the selling cost. This is a question that cannot be answered in the abstract but one that must be solved by the brainy sales manager.

The organization that, at a minimum of expense, can get the largest effort from wholesaler or retailer and bring his distribution cost down to the lowest percentage is on the road toward a method of selling that will command the admiration of the economists.

Methods of Selecting Retailers as Representatives.—Butler Brothers, wholesalers of general merchandise, send their catalogue to any merchant requesting it, and they sell him any of the goods described in that catalogue. Nevertheless, this well-known Chicago house has preferred dealers, and such dealers need not be the largest in a locality. Preferred dealers

are those who have shown merchandising ability and the desire to cooperate with Butler Brothers' particular type of selling plans. Such a store is favored with special sales plans, instructions for advertising and window-display and goods not indicated in the catalogue. Other advantages are offered.

Hart, Schaffner & Marx, who advertise so strongly the quality of their clothing, often choose the lesser stores in a locality for distributing their wares. They do this when they see in the dealer they have chosen possibilities for development. They frequently prefer to do this, because they can get such a dealer to work enthusiastically with them. He is not so much impressed with the superiority of his own methods as the leading store of the community often is.

The Kaynee Company, makers of boys' blouses, shirt-waists, wash suits and rompers, also favors this policy of developing a dealer into the best. H. B. Kohorn, the advertising director, argues that the phrase "found only in the best stores" is detrimental to the reputation of some dealers who are very reliable and have excellent merchandising policies, even though they do not rank with the highest grade.

Mr. Kohorn has been quoted as follows:

Recently we made an investigation and discovered that hundreds of dealers who do a comparatively small business, and who do not operate the largest stores in their community, are nevertheless loyal Kaynee patrons, realizing that it pays them to handle high-quality merchandise, just as it pays us to manufacture it.

If the dealer is interested in the character of the goods we are making, if he is interested in our policy of selling, our guarantee, our advertising and shipping and billing, if he is interested in the reputation which we have established, he is the logical man for a Kaynee dealer.

The Hoosier Manufacturing Company, of Newcastle, Ind., maker of kitchen cabinets, is very particular in its selection of retail representatives.

The district sales manager usually accompanies the salesman of a territory in which it is desired to establish a dealer. A prospective distributor of Hoosier goods must satisfy the company as to his general ability and efficiency, credit rating,

the location and attractiveness of his store, his selling staff and the quality of his advertising. He is made to see that the Hoosier agency is a real asset—not something handed to him on a platter and to be handled as he may see fit.

The American Ever Ready Works and the National Carbon Company choose their retail dealers on careful review of salesmen's reports. These reports indicate whether dealers are "enthusiastic," "aggressive" or "indifferent." The salesmen also take into account the appearance of the store, the appearance of the stock, the appearance and size of the show windows. Once the dealer becomes a distributor he is subjected to periodical inspections to determine how well and how intelligently he pushes the merchandise.

(Summarized from *Printers' Ink.*)

LOCAL SALES-AGENT PLAN COMPARED WITH REPRESENTATION BY RETAILER

Every manufacturer would probably prefer to be represented by a progressive retailer if conditions permitted. The retailer with his established trade and his organization of employes proves to be a valuable asset. The traveling salesman—who may be either a local man working in a radius from his headquarters, or an outside salesman who comes into the territory for a limited time—is being employed successfully by many organizations for want of a better method. Such a plan permits concentration and direct control. On the other hand, there is some prejudice among consumers in rural territory against the traveling salesman, particularly because of frauds and near-fraudulent practices that have been practiced. Consequently, a large group of manufacturers, though they may start with the traveling salesman, aim to bring their sales work to the point where they may be represented by the retailer. *Printers' Ink.* commenting editorially on this subject, says:

Once in a while a product is introduced that for various reasons does not fit in with established retail lines. This was the case with these farm-lighting systems now so extensively advertised. To introduce them seemed to be too big a task for a retailer to undertake, especially since he already had several lines claiming his attention.

In many instances, therefore, farm-to-farm salesmen were hired especially for selling these plants. Where products such as this do not fit in with established lines, there is a tendency to sell them through resident agents. The resident agent, like the retailer, has the advantage of being established in the community. We believe that threshing machines, where not sold through general implement dealers, are marketed in this way. Automobiles were sold in that manner. Gradually these agents, if they do well, build up a retail business, open up stores and sooner or later bring into existence a new kind of retailer. You might say that it was in this manner that the implement dealer grew out of the hardware business. Similarly, the building-supply dealer grew out of the lumber business. Thus it can be seen that the tendency is always toward the dealer system of distribution. Temporarily a manufacturer may find it advisable to go past the retailer, either through the mails or through traveling agents, direct to the farmer. Some manufacturers find it profitable to do this permanently, but after all we must not forget that by far the biggest bulk of all farmer sales is made through retailers.

No set plan fits all situations. When the DeLaval cream separator was being introduced, while the local dealer held the agency, the special salesman of the DeLaval Separator Company did a large part of the preliminary work, accompanying the dealer on his sales trips until he was competent to paddle his canoe alone. Even when the dealer has been selling a specialty for a number of years, it is often necessary for a special salesman to visit him and, by giving assistance for a limited time, put new spirit into his work. Even the best of dealers are inclined to relax in their efforts, because of the many things they sell and the many calls made on them for cooperation. Consequently, cooperation by the manufacturer is always needed.

THE COUNTY AGENT AS AN INDIRECT SALESMAN TO THE FARMER

County agents are joint officers of the United States Department of Agriculture and the State agricultural colleges, generally working in cooperation with a county farmers' association usually known as a "Farm Bureau." As a rule they are graduates of an agricultural college and have practical farm experience as well as scientific training. They cooperate

with the farmer in every way possible in order to improve agriculture and to advance rural living conditions. Farmers may come to them for expert advice on any phase of work from producing, preserving or marketing, to the social side of farm life.

County Agents and Young Peoples' Clubs.—There are about 5,000 county and home demonstration agents in the United States. In addition to these agents there are over 1,000 Boys' and Girls' Club Leaders and about as many extension specialists representing different branches of agriculture and home economics. The money for the support of the agents, home demonstrators and for the club work is derived from Federal, State and County appropriations, agricultural college funds and from private contributions.

Agents as General Advisers to Farmers.—To illustrate the influence a county agent may have in his district, John Allen Murphy, writing in *Printers' Ink*, describes a trip he took through the country with a salesman of corn-shredders. He says:

Three of the four farmers on whom we called said they would not think of purchasing such an important article before they discussed the matter with the county agent. One of them said that he had planned to erect a hog barn that fall and if he bought a shredder he could not afford to put up the barn. He said that he would like to ask the local extension man before deciding which of the two investments it would be best for him to make that year.

Why County Agents Can not Act as Salesmen.—Because of the influence of the county agent upon the farmers, many manufacturers seem to think that obtaining that influence in favor of their products would prove a direct route to the farmer market. It probably would be, if it could be obtained. But county agents are not allowed to recommend any certain make of goods. They are public employes and it would be unfair for them to single out any particular article. This fact does not seem to be fully realized and a great deal of advertising money is being wasted in trying to interest these agents in plans for selling or for distributing advertising which, for ethical reasons, they cannot take up. O. D. Center,

Director of Extension in the Department of Agriculture and Home Economics of the State of Oregon, commenting on this situation, wrote:

The extension workers, particularly the County Agricultural Agents, Home Demonstration Agents and field workers of a similar character, are besieged with questionnaires, posters, advertising material and letters from manufacturers all over the United States. The receipt of such material has become so great that in some instances, it amounts to a real nuisance and interferes with the work.

What Mr. Center Advises Manufacturers.—In Oregon we have adopted the policy of asking that all material which it is desired to place before our field workers be first presented to the Director of Extension and the State Leaders. If, after careful consideration, it is found of interest and service to the State or to portions of the State, such firms and manufacturers are invited to send the material *to the central office*, where it is distributed to those agents or field workers most directly concerned. Coming as it does, therefore, from the central office, accompanied by a letter or note from the State Leader or the Director, it receives prompt and careful consideration which otherwise might not be accorded it.

How the County Agent Can Be of Assistance.—The conclusion need not be reached, from what has been written, that the county agent can be of no aid to the manufacturer. His influence is too important to be regarded lightly by manufacturers of machinery and equipment to improve farm methods. An agent will often introduce a certain kind of equipment to a single farmer and soon all the progressive farmers in the neighborhood will be wanting the same thing. When silos, for example, were first coming into general use, an agent would often influence the sale of several dozen in a year. The installation of a silo, of course, was an improvement that the agent was promoting along with other progressive methods. The manufacturer of silos, perhaps, had been advertising in that community but the farmer would not be thoroughly convinced of the advisability of installing the silo until the county agent or extension worker would come along advocating that every farm should have a silo. A sale would be the result.

Suggestions by Directors of Extension Work and Agent-leaders.—According to M. C. Burritt, vice-director of extension, New York State College of Agriculture:

The extension system is not intended as a medium for manufacturers or other business to get information to farmers. It is purely an educational work, supported by Federal, State and County funds, most of which are raised by taxation. The work is directed by public employes and while the agents undertake educational work along economic, as well as production lines, they can in no way undertake to be agents of any particular piece of goods. Any information sent these agents by manufacturers is purely for their information and must carry with it no obligation on the part of the agent to do anything with the information.

W. M. Cook, County Agent leader in Arizona, gives the following account of cooperation which he has received from manufacturers:

In my own experience a few manufacturers have cooperated with me in a most helpful manner and I shall be glad to tell you a little concerning one or two of them. For instance, the Association of Fertilizer Manufacturers in the United States, known as the Crop Improvement Committee, has conducted demonstrations which have been truly educational. At one time I had one of their representatives at a large county meeting held in Carroll County, Missouri, when I was Agent there. The farmers all appreciated the information because it was strictly educational and the real purpose of the advertiser was kept so far in the background that a most appreciative sympathy was developed.

Another instance I might cite was that of the American Seeding Machine Company, of Springfield, Ohio. It sent me one of its seeders without any strings to it. Our Farm Bureau and I discussed the use of the machine in such a manner that quite a number of farmers seeded a portion of a field with the seeder at half the rate per acre they used in hand-seeding. The results were all favorable and incidentally the company sold dozens of machines the following year. It possibly would have sold this same number without this advertisement, yet it must be admitted that the dates of sales were hastened by a year or two at least.

Another director of agricultural extension has suggested that an effective way of bringing materials to the attention of county agents is through county fairs and expositions.

Still another suggests that manufacturers would do well to learn the nature of the program of the various Farm Bureaus in their territory and plan to meet any demand that will be created by the promotion of various projects by the local bureau.

SECTION IV

COSTS OF SELLING

The thoughtful sales manager realizes that the great problem is that of proper volume at proper sales cost. He knows that the history of selling shows extravagance with respect to costs. He knows that there has not been the zeal to keep down the percentage in the distribution end that there has been in the production end.

But he also knows that selling costs in introducing a new article will pile up until volume of sales has been reached; that is, unless the new article can be sold in company and with the aid of established articles. He knows that it may be possible to make a good showing with a low selling cost but to have such a small volume of sales that the showing is actually deceptive so far as the general prosperity of a business may go. In this case the principle of turnover comes into play. It is better for the development of a business to have many sales at a rather high selling cost and a low profit than to have a few sales at a low selling cost and an apparent good profit but such infrequent turnover that the total is altogether inadequate for the support and upbuilding of the business.

The keen sales manager also recognizes the need for analysis of selling costs, for where there are a number of lines sold by the same salesman, the sales of some items may be decidedly unprofitable on account of the small margin of profit—a fact too often lost sight of in calculating the selling cost of an entire business.

The costs of selling often vary appreciably even when the article under study is a standard product of almost staple character. This difference comes about through various causes: The efficiency of the general management; aggressiveness in selling; the skill of the producer in the handling of his correspondence, advertising and collections; volume of sales;

location of market; variety of product; continuity of sales. Statistics of trade associations and the facts put before tariff committees show these variations very impressively.

Lack of Uniformity in Cost Accounting.—There is no uniformity in the way cost accountants figure the costs of selling. One extreme is the method of including in sales costs only salesmen's salaries and their traveling expenses. Obviously, this is not correct if there are other expenses incurred in selling, such as advertising in periodicals, catalogues, sales letters, dealer aids, etc.

A small group of manufacturers of trade-marked packaged products were discussing their selling costs at a trade convention. They confessed to sales costs ranging from $7\frac{1}{2}$ to $9\frac{1}{2}$ per cent. Yet when they compared notes, selling conditions and their methods of cost-figuring were so different that there was hardly any way by which costs could be fairly compared. In the production end of their enterprises it was easier to get at definite operations.

One of this group charged his cartons to advertising and therefore to selling. Another included carton cost in manufacturing. The man with the highest cost sold the lowest priced goods. Two were aggressive advertisers. A third member of this group advertised very little. One did no advertising beyond the advertising on his package itself. One product was sold throughout the entire United States, while another was sold almost entirely within the confines of one state. One product was sold primarily in cities, and another was marketed principally in the country. Two sold to jobbers, one sold direct to the retail trade and the fourth sold to a large extent direct to consumer, taking orders through the mails.

Such situations make it evident that comparisons of selling costs, even among manufacturers making the same kind of products, mean very little unless the products can be put on some common basis.

What to Include in Sales Expense.—Strictly speaking, sales expense should include every expense until the order has been received. Such a list of charges will cover:

1. A proportion of the general administrative expense.
2. All salaries, bonuses, commissions or premiums to those engaged in sales work.
3. All traveling expense bearing directly on sales work.
4. All advertising that has for its object the making of sales, but not advertising that is put out as a protection against legislation or for mere good-will. Nor should advertising that is plainly a contribution or tribute to some cause be included.
5. All educational work designed to improve the salesmanship of either the manufacturers' sales force or the jobbers' and retailers' organizations.
6. Other charges such as losses on experimental work of any kind connected with selling, bad debts, loss of goods through uncollectible accounts, samples, demonstrations, etc.

Management expense should, of course, include the salary of the sales manager and his expense, the salaries of the branch-office managers and their expense, as well as a share of the general administrative expense.

Selling Costs Grouped in Four Divisions.—Miller, Franklin, Basset & Company advocates that all selling expense be classified according to these four divisions:

1. Advertising
2. Salesmen's Expense
3. Clerical and Warehouse Expense
4. Management

With such a classification there is better opportunity for accurate cost accounting, though such items as 1 and 4 must be watched for what have been aptly termed "yellow dog" charges. There is no good reason for including donations and all kinds of miscellaneous expenses under the divisions of selling unless they have some direct relation to sales effort.

In commenting on clerical expense, William R. Basset, president of Miller, Franklin, Basset & Company, says (*Printers' Ink*):

The billing and bookkeeping expense depends directly upon the number of items billed. It obviously costs as much to bill and account for "one keg of nails, \$4.50" as for 1,000 kegs nails, \$4,500." To distribute this expense on the basis of dollars of sales brings in a rank error. Not only that—it gives no control by which the executive can tell whether his clerical expense is too high. Lest you think that this element is too small to consider, in one concern it comprised a full third of the total cost of selling. In another it amounted to 13 cents per item whether that item was a 10-cent can of the product or 10 cases of it. Not a few items had been sold, the total selling price of which was less than the cost to bill.

The way to arrive at the cost of billing is to total the clerical expense and the cost of clerical supervision and divide it by the total number of items billed. If a business is exceedingly seasonal, it may be well to set up a standard cost per item for various periods or even for each month. Against this standard the actual cost per item can be compared as a measure of efficiency. I have seen such comparisons result in studies which cut this cost in half. It will frequently bring to light roundabout office methods, or the advisability of using billing machines.

Cost Accounting Advised by Credit Men.—The National Association of Credit Men, one of the largest and soundest of business men's organizations in existence, having 30,000 members, recommends the following rules for merchants for figuring costs and profits:

1. Charge interest on the net amount of your total investment at the beginning of your business year, exclusive of real estate.

2. Charge rental on real estate or buildings owned by you and used in your business at a rate equal to that which you would receive if renting or leasing to others.

3. Charge in addition to what you pay for hired help an amount equal to what your services would be worth to others: also treat in like manner the services of any member of your family employed in the business but not on the regular payroll.

4. Charge depreciation on all goods carried over on which you have to make a lower price because of change in style, damage, or any other cause.

5. Charge depreciation on buildings, tools, fixtures or anything else suffering from age, wear or tear.

6. Charge amounts donated or subscriptions paid.

7. Charge all fixed expenses such as taxes, insurance, water, lights, fuel, etc.

8. Charge incidental expenses, such as drayage, postage, office supplies, livery expenses of horses and wagons, telegrams, telephones, advertising, canvassing, etc.

9. Charge losses of every character, including stolen goods, or goods sent out and not charged, allowance made customers, bad debts, etc.

10. Charge collection expenses.

11. Charge any other expense not enumerated above.

12. When you have ascertained the sum all the foregoing items amount to, prove it by your books, and you will have your total expenses for the year. Divide this figure by the total of your sales and it will show the per cent which it has cost you to do business.

13. Take this per cent and deduct it from the price of any article you have sold, then subtract from the remainder what it cost you (invoice and freight), and the result will show your net profit or loss on the article.

14. Go over the selling prices of the various articles you handle and see where you stand as to profits; then get busy in putting your figures on a profitable basis and talk it over with your competitor as well.

Perhaps it may be well to add to this counsel by the credit men the caution that conferences with competitors with regard to costs, selling prices and profits should be within the law:

Sales Cost Data That the Sales Manager Should Have.—Whether his records are simple or elaborate, the sales manager should have at his ready command:

1. The figures for the various sales territories of the country.
2. The figures for each separate product sold, as far as obtainable.
3. The figures for each salesman, sales superintendent or branch manager.
4. Comparative costs from year to year and month to month.
5. Relative profit of the various products or models.
6. Relative profit of the various units of territory.
7. Standing of individuals as profit-producers.

Advertising and Salesmen's Expense Analyzed Together.—Advertising and salesmen's expense should be considered in

their relation to each other. Advertising expense may seem quite small because a firm may be doing little or no constructive advertising, merely carrying a few advertisements of the "announcement" class as a matter of good-will with a few publishers. Such a concern may, however, be driving very hard with its sales force on the theory that only personal effort amounts to much, and its percentage on the salesmen's end of the program may be high.

On the other hand, advertising expense may be unduly high because of such items as charitable donations, employes' magazines, rent of display rooms and so forth.

Selling Expenses Indicated in a Combination Chart.—Exhibit 26, which is an example of the plotting methods of the Babson's Statistical Organization, Inc., shows the value of tracing selling expense in close association with the purchasing power of the territory. Such a chart shows at a glance all that might be indicated by a number of pages of verbal description. It also indicates very clearly the first stages of any favorable or unfavorable tendency. If, for example, the compensation of salesmen or the volume of advertising has climbed at a rate disproportionate to the total expense or the total sales, the organization is made aware of the fact. It would be easy to show total sales on this chart by a line between "purchasing power of city" and "total selling expense."

Costs Should Reduce as Novelties Become Staples.—As already set forth, it usually costs a great deal to make the public form a new buying habit. Therefore, when any new thing is introduced, unless it happens to be the rare instance of something filling the "long felt want," people must be made to want it or to see the need of the commodity; and before they will want it they must learn about it and understand it. This means advertising or salesmanship, perhaps both.

It must have cost a great deal during the first few years to sell grapefruit. Now people know what grapefruit is and the grocer has merely to show his stock, refer to it briefly in his advertisements or have his salesmen say only a word or so in favor of quality or price.

In a great many instances the first sales of new articles represent a real loss, and unless the purchasing public repeated

its buying largely without further sales effort the business could not go on.

Large sales cost may be entirely warranted if eventually the new article gains a dominating position and goes on mainly through its momentum or natural growth.

Relation of Volume to Cost.—It is naturally the aim of sales managers generally to attain large volume in order that

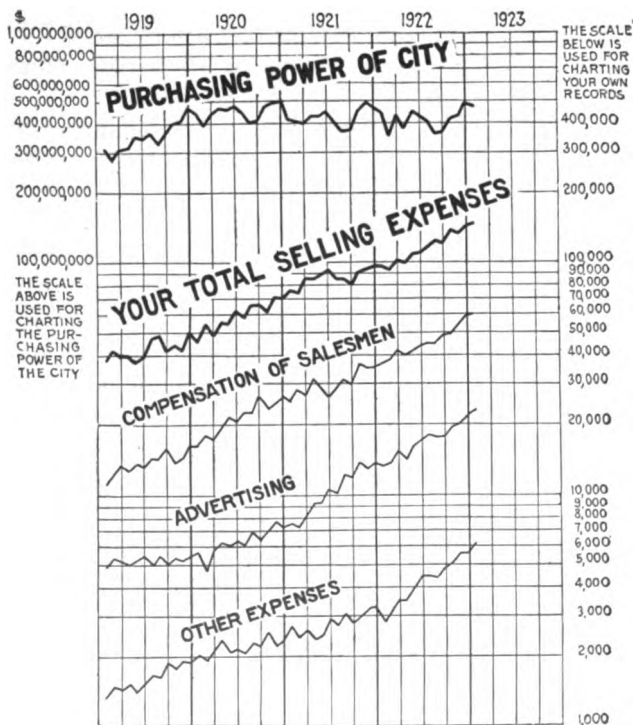


EXHIBIT 26.—Chart prepared for this volume by Babson's Statistical Organization, Inc., showing impressive method of comparing total selling expense, as well as the separate factors of compensation of salesmen, advertising and miscellaneous expense, with the purchasing power of the city.

sales cost may be reduced. An instance is cited by J. George Frederick, in *Marketing*, of a large clothing concern which, by aggressive methods and by incurring for a time increased selling costs, eventually attained to a position of leadership in its field, enjoying a total of about \$20,000,000 in annual

sales at a selling cost of $2\frac{1}{2}$ per cent. A competitor that once held the leading position, with annual sales amounting to between \$4,500,000 and \$5,000,000, had a selling cost of $4\frac{1}{2}$ to 5 per cent.

Yet it does not always work this way. Large volume means an organization more difficult to handle, more experiments, large purchases of material and a greater temptation to recklessness. There are many organizations which have gone through the experience of increasing their annual sales by 25 or 30 per cent only to discover that net profits were less than in previous years.

Generally speaking, however, it should be possible to lower selling cost by increase of volume, because in most lines the repeated purchases of goods becomes to some extent at least automatic and therefore calls for less sales effort and sales cost. While it would not be safe to operate on the principle of neglecting customers that are regarded as "married to the firm," sales cost can often be measurably lowered by devoting less expense to business that would come anyhow and increasing effort where the resistance is hardest.

The Experience of an Overalls Manufacturer with Increasing Selling Expense.—An overalls manufacturer had his selling costs jump from 14 per cent in a period of less than two years to 32 per cent. This was due to the greatly decreased volume of sales that came with the slump of 1921. The salesmen's expense of this firm went on unchanged, practically, and caused the manufacturer to do some hard thinking. He had an organization of fewer than a hundred men calling on the smaller retailers. Little had ever been done in the way of analyzing the cost of sales, either according to the character of the goods or by territory. The practice of the firm had been to engage new men at salaries ranging around \$100 a month, while experienced men were sometimes taken from competitors at salaries of \$2,500 to \$4,000 in the belief that the higher-salaried man was really the most economical in the long run.

The slump suffered by this manufacturer was a blessing in disguise, for his enforced study of his sales methods revealed the following facts:

The need: (1) For assembling all home-office costs that related to selling—the advertising, supervision of selling and a share of the general expense; (2) careful recording of all field expense, salesmen's salaries, traveling expense and so on.

The relative profitableness of the work of the different men; while there was not a great variation among the percentages of the different men in figuring their expenses on their gross sales, there was an alarming difference in the amount of profit to the company and in the amount of real constructive work done. The older and high-salaried men were averse apparently to covering their territory thoroughly and going after small orders. They gave their attention to bigger buyers or those whose business was easiest to secure, on which, however, the company's margin of profit was smaller. When slumps diverted these large orders to other manufacturers, the salesmen were left with pitifully small profits.

The most profitable work was that done by the newer men working in what had been regarded as inferior territory. They made several times as many calls as the older men and were evidently trying to make a record for themselves.

An entire reshaping of the sales organization became necessary.

What May Cause High Selling Costs.—The following causes of high selling cost are found so frequently that they may be safely put down as “common diseases”:

1. Inefficient, expensive sales organization that works without plan or definite goal. This weakness usually incorporates lack of real leadership in the selling end of the business.
2. Spotty distribution; possibly neglect of territory and long jumps that play havoc with the time of salesmen and load down their traveling expense accounts.
3. Costly items in the line of products—perhaps those that are a dead load on the others. Selling costs are many times appreciably lowered by eliminating models or styles or by a process of standardization that has the effect of reducing the variety of items to be sold.
4. Neglect of modern labor-saving and time-saving methods, both among the salesmen and at headquarters.
5. Poor correspondence and little effort to hold the goodwill of customers after they are secured.

Ways in Which Sales Cost May Be Lowered.—Sales cost may be lowered by the use of the following expedients, under varying conditions:

1. Increasing the number of salesmen and thus covering territory better. This usually means bringing in younger men who are likely to accomplish more for a reasonable salary than older men.
2. Increasing the number of calls by the men and improving their efficiency.
3. Doing preliminary work for the men in the field by means of periodical advertising, correspondence, window-displays, demonstrations, etc., so as to make it possible for them to sell in a shorter time or in a larger proportion of cases.
4. Development of better plans and more effective organization at home office and branch offices.
5. Dropping unprofitable items or concentrating on those that are profitable.
6. Changing the size of the package and selling a lower-priced unit. This move may play a large part in the lowering of selling costs, because the change may open an entirely new market.
7. The making up of a standard assortment. This method has also proved to be a great cost-reducer in some enterprises. Take, for example, the enormous sales of the Whitman Sampler box of candy as compared with the practice of selling candy in such a way that salesmen must make up assortments. Not only is it easier to make candy-buying a habit by making the customer familiar with a standard assortment sold but the work of salesmen is greatly simplified.
8. Encouraging combination or club orders. The cost of selling magazine subscriptions, for example, is greatly lessened by club prices on different combinations of the magazines. Books may be sold in sets at a lower pro rata cost than single volumes, as a rule. When neighbors are encouraged to make up a club order and save expressage, the cost should also be

largely reduced to the manufacturer. Both manufacturers and wholesalers find the combination order—the sale of a group or “family” of products—a factor in the reduction of selling expense.

9. General elimination of waste and needless overhead.
10. Forwarding a business so that the buying of the product becomes more or less automatic and requires less and less attention by the salesman, thus permitting the management to send its men to new fields or new prospective customers.

Instances Where Reduction of Products or Styles Improved Business.—It is only human that a manufacturer or a merchant would like to be able to furnish anything that his trade desires. At the same time the prudent business man must recognize that a certain volume of sale is necessary for any particular unit or special style in order for business to be conducted properly. He must furthermore recognize that the more the attention of his sales force is scattered among a long list of products, the less concentration he will get. A story is told of a manufacturer who made up his mind to furnish everything that the trade wanted. Working on this platform he kept supplying special styles and special finishes until one year he discovered that while he had increased his sales several hundred thousand dollars, his profits had been eaten up to the extent that only the small sum of \$8 was left.

The Remington Arms Company at one time offered the trade more than 12,000 different types of loads. A careful analysis of the needs of customers showed that the greater part of the business came under twenty-four heads. It eventually became possible to cut down the different loads to about 1,600 with most attention being given to the twenty-four popular loads. These twenty-four types of loads were advertised extensively *so as to create a demand for these rather than to have customers calling for an almost endless variety of product*, each user of firearms according to his own whims. A number of other well-known organizations have adopted this wise policy of concentration on the popular styles or units and bending their energies to create a demand for these.

John Deere and Company has eliminated more than one-fifth of 1,260 models of farm wagons. The Campbell Soup Company at one time sold more than two hundred varieties of canned fruit, preserves, etc. Its first year's soup business amounted to 500,000 cans. The advertising expense on this business was 14 per cent of the sales, and other selling expenses amounted to $7\frac{1}{2}$ per cent, a total of $21\frac{1}{2}$ per cent. The company saw the advisability of eliminating most of the food products and finally reduced the list to soup, in twenty-four varieties, and pork and beans. In 1923 it was stated, with the authority of the president of this concern, that the advertising expense had been reduced to 3 per cent and the other selling expenses to 2 per cent, a total of 5 per cent. Overhead costs were also reduced 80 per cent. But the volume of sales had grown to an output reaching 18,000,000 cans of soup a week. Furthermore, the large volume has stabilized the prices of raw materials to a great extent and enabled the company to maintain agricultural experimental laboratories in which problems are worked out with great benefit to the farmers who produce materials for the making of Campbell's Soups.

Exhibit 27, prepared by the Chamber of Commerce of the United States, is a graphic illustration of how the varieties in many kinds of products have been reduced so as to permit concentrating, both in manufacturing and selling, on popular models. While this table does not show the saving in cost, it is logical to suppose that the savings have been large.

Suggestions from Chamber of Commerce of the United States.—Julius H. Barnes, president of the Chamber of Commerce of the United States, who is also president of the Klearflax Linen Rug Company, set forth in *Printers' Ink Monthly* (March, 1923) some of the good effects that come from the standardizing of manufactured products. The following paragraphs give the essence of his interesting views:

The term "standardization" has led to one misunderstanding which it is well to clear up. The impression that the movement is to bring about the making of commodities in a more or less restricted form and through this restriction of production, force the consumer to abandon his preferences and oblige him to use what might be selected for him, is erroneous.

The study is clearly one for the elimination of waste in industry and is not, in any way, to check initiative or invention; but, on the other hand to make room for new and advanced patterns through the discarding of those which are merely duplications.

There are at least seven distinct advantages, which simplification offers to almost any business:

ARTICLE	REDUCTION	PER CENT ELIMINATION
Berry Boxes	17 - 3	82%
Bond Papers	105 - 7	93%
Book Papers	35 - 20	43%
Ceramic Tile		15%
Chain-Malleable	2044 - 820	60%
Cover Papers	22 - 5	77%
Cultivators	45 - 8	82%
Disc Harrows	33 - 14	58%
Disc Plows	11 - 9	18%
Dry Cells	17 - 6	65%
Fertilizer	100 - 17	83%
Flashlight Batteries	30 - 8	73%
Grape Baskets	31 - 3	90%
Hammers, Hatchets	2752 - 761	72%
Interior Tile	735 - 115	84%
Ledger Papers	40 - 5	88%
Linen Papers	98 - 3	97%
Paving Brick	66 - 7	89%
Pencils	700 - 250	64%
Piano Benches	34 - 11	68%
Piano Stools	15 - 1	93%
Pipe and Fittings	17000 - 610	96%
Planters and Drills	791 - 29	96%
Pocket Knives	1500 - 300	80%
Reversible Harrows	9 - 6	33%
Riding Plows	27 - 15	45%
Rubber Sponges	7 - 3	57%
Shells-Smokeless		85%
Shells-Black Powder		72%
Small Tools		50%
Stalk Cutters	16 - 6	62%
Stoves and Ranges	2982 - 364	88%
Till Baskets	30 - 5	83%
Total Implements	1092 - 137	87%
Tractor Plows	13 - 9	31%
Typewriter Paper	37 - 11	70%
Walking Plows	147 - 41	72%
Water Bottles	20 - 5	75%
Wheelbarrows	42 - 16	62%
Writing Papers	40 - 5	88%

EXHIBIT 27.—Table prepared by the Chamber of Commerce of the United States showing how the standardizing of various commodities has reduced the number of items.

1. A reduction of stock and investment, and an increase in turnover.
2. Lower cost to the consumer through mass production and intelligent application of the repetitive process.
3. Lower cost through quicker delivery from simplified stock.
4. A decrease in selling expense, which has been so much increased by extended varieties. This applies, not only to the salesmen themselves but to catalogues, samples and the like.

5. A better understanding between producer and buyer through the use of a definite vocabulary.

6. Concentration of thought and effort on the best quality of each line which must inevitably result in better quality.

7. A more stable employment by permitting the safe accumulation of standard lines of stock during slack periods. The management is thus enabled to know what it can make and sell when the good times come again.

Manufacturers are becoming more and more keenly alive to the many advantages accruing from simplification. Distributors, especially retailers, realizing the amount of capital unnecessarily tied up in such varieties and the consequent slowness of turnover, are demanding of the manufacturer simpler lines. The accompanying "Progress Chart" (Exhibit 27) shows graphically what is being accomplished in diverse lines. The chart mentions only a limited number of lines affected, yet more than three hundred have already been given attention. Almost any manufacturer who will study this chart will be impressed with the fact that if the pipe-fitting manufacturer has been able to eliminate 96 per cent of the excess variety in his line, the pocket-knife maker, 80 per cent, and others in proportion, there may be some waste in his own industry through too much variety. A shoe manufacturer who adds a special tip or an unusual design, because a certain retailer in Texas wants this kind, or a tool-maker, who at the request of some one customer, makes an odd finish, will likely find it a new and unprofitable lot—something that through the entire processing demands constant attention and adds to the overhead.

Other Benefits from Standardization and Simplification.—For several years the Fabricated Production Department of the Chamber of Commerce of the United States has been investigating the subject of simplification and standardization, giving attention to several hundred industries. Paul E. Holden, writing in the *American Machinist* about this movement, gives the following advantages to the manufacturer:

1. Less capital tied up in:

Raw and finished materials.

Tools and equipment.

Storage space.

2. More economical production through:
 - Longer runs.
 - Better planning.
 - Less defective work.
3. More efficient labor due to:
 - Repetitive processes.
 - Simplified training.
 - Permanent employment.
 - Opportunity for wage incentives.
4. Better service to the trade.
5. Concentration of sales effort.
6. Decreased overhead.
7. Fewer shut-downs.
8. Better product.
9. Increased turnover.

Mr. Holden follows with this pertinent observation as to the benefits to the jobber:

Much has been said here with regard to the benefits accruing to the manufacturer, but standardization and simplification is not single purpose. The jobber and consumer are equally interested. The jobber, with a warehouse full of slow-moving merchandise and bins loaded with divers spare parts, is vitally concerned in any movement which tends to reduce his overhead and increase the frequency of his turnover. As evidence of this interest, a number of retail and wholesale dealers' associations have gone on record as strongly urging manufacturers to cooperate in eliminating excess variety and reducing their several lines to those items of real merit and distinction. Here are some of the gains for the jobber:

1. Increased frequency of turnover due to:
 - Cleaner stock.
 - More effective sales force.
 - Staple lines.
 - Concentration of sales effort.
 - Quick moving items.
2. Reduced capital investment in:
 - Stock carried.
 - Repair parts.
 - Storage space.
3. Less stock depreciation.
4. Less unsalable goods.

5. Decreased overhead from:
 - Smaller force.
 - Lessened investment.
 - Reduced fixed charges.
 - Lower handling costs.
6. Better service through:
 - Fairer prices.
 - Balanced stock.
 - Quicker deliveries.

Some Instances of Sales-expense Reductions.—The Dartnell Corporation records that:

In Denver a jobbing concern has taken its salesmen off the street and told them to use the telephone instead. Sales were doubled in less than two years and selling costs were cut in half. In Chicago an office appliance concern has cut its sales territories in half and doubled the size of its sales force. The result was a slash in selling costs. A typewriter manufacturer in New York found that by paying his salesmen 5 cents for every call, in addition to a commission on sales, he was able to sell more for less.

The National Cash Register Company picked out its best salesman, investigated his methods of selling, and then called him to the factory and placed him in charge of the Post Graduate School for Salesmen. The older men were called in and this man, by personal talk and demonstration, taught them his methods. This procedure was applied to new men and European salesmen also. All this took time but it was worth it for it had an electrical effect on the volume of sales and made a deep indent in selling costs.

EXAMPLES OF SALES COSTS

It has been stated that sales costs, taking a great many lines of business into consideration, will run all the way from 2 or 3 per cent to 8 to 10 per cent of the total sales, and that the average will run from 5 to 7 per cent. Such general averages, however, mean little, for there are selling undertakings in which the salesman's salary and expenses alone will take from 25 to 33½ per cent of the total amount received for the goods.

COSTS IN REPRESENTATIVE GROUPS OF WHOLESALERS AND RETAILERS

Wholesale Grocers.—One study of the wholesale grocery business showed a total operating expense of 9 per cent, of which 2.2 per cent was listed as selling expense.

Wholesale Clothing.—A wholesale clothing business doing nearly one million dollars worth of business yearly showed a total operating expense of 16.1 per cent, of which 5.5 per cent was listed as selling expense.

Wholesale Drugs.—Still another study—that of the wholesale drug business—showed an operating expense of 14.6 per cent, of which 4.1 per cent was listed as the selling expense.

Wholesale Dry Goods.—A dry goods business having sales of more than \$600,000 shows a total operating expense of 12.2 per cent, of which 3.6 per cent is listed as selling expense.

Wholesale Hardware.—According to an investigation made by the A. W. Shaw Company in 1917, the total cost of doing business by hardware wholesalers was a little in excess of 19 per cent. This, however, represented the entire cost of doing business—administration expense, rent, light, heat, power, insurance, taxes and so on.

Selling Cost Figures from National Hardware Association.—Exhibit 28 shows a table prepared by the National Hardware Association giving the percentage of selling expense of wholesale hardware dealers. While this information was compiled in 1918, it gives some real light on selling expenses as compared with administrative expenses, in three different groups of hardware dealers. In the investigation, the houses were grouped as:

- A. Those having annual sales of \$1,000,000 and over
- B. Those having annual sales of between \$500,000 and \$1,000,000
- C. Those having annual sales of less than \$500,000.

The following tables show the percentage of selling and administrative expenses of houses in each class, together with the average for the three:

SELLING EXPENSES

(Percentage Figures)

	Averages by class			General average of A, B, C
	A	B	C	
Advertising.....	0.43	0.43	0.60	0.49
House salesmen.....	1.92	1.11	1.56	1.55
Traveling salesmen.....	3.30	3.32	3.48	3.37

ADMINISTRATIVE EXPENSES

(Percentage Figures)

	Averages by class			General average of A, B, C
	A	B	C	
Management (officers, dept. mgrs., assts. and other executives).....	1.91	2.29	3.43	2.21
Office salaries (includes clerks, bookkeepers, stenographers, and office employes).....	1.62	1.81	1.71	1.71
Communications, postage, stationery, supplies, telegraph, etc.....	0.54	0.55	0.69	0.59
Legal and collection expense, auditing and exchange.....	0.09	0.09	0.07	0.08

EXHIBIT 28.—Table giving the percentage figures of selling expenses of 64 wholesale hardware dealers. Compiled in 1918 by the National Hardware Association.

Exhibit 29-a and 29-b give a glimpse into the selling and operating expense of the retail end of the hardware business during a year when conditions were unfavorable toward profitable merchandising. The figures nevertheless indicate conditions that must be taken into account by manufacturers and wholesalers.

THE AVERAGE BUSINESS EXPERIENCE OF 341 RETAIL HARDWARE STORES DURING 1921

Sales.....	\$51,669.95
Loss in sales volume compared with 1920, per cent.....	23.0
Made an average margin on sales of, per cent	21.64
Average cost of doing business was, per cent..	21.54
Average profit was (on sales), per cent.....	0.10
Average inventory was.....	\$18,877.18
Shrinkage in inventory from 1920 was, per cent.....	16.0
Average salaries drawn by owners.....	\$1,888.51
Average salary paid employes was.....	1,332.01
Average stock turn was.....	2.14
Average volume of sales per employe, includ- ing owners, was.....	\$13,674.40

EXHIBIT 29-a.—Statistics from the *National Hardware Bulletin*. Similar summaries are available from the offices of trade associations, publishers and research bureaus.

Wholesale Electrical Goods.—In the field of wholesale electrical goods, the Shaw study showed a general expense of a little in excess of 18 per cent.

In neither of the Shaw studies were the immediate expenses of the salesmen, salary, traveling expenses, etc., in excess of 6 per cent. In the case of the wholesale hardware field, the advertising expense was only 0.003 per cent, while in the case of electrical goods it was 1½ per cent.

Printing.—One of the principal printing magazines gives the selling cost of printing, this cost being based on salesman's salary or commission, his traveling expenses, samples and dummies without art work, as ranging from 10 to 12 per cent. This publication figures advertising cost separately and estimates this as running from 3 to 5 per cent. The information is given that on very large contracts selling costs sometimes run as low as 6 per cent, while on small orders, where there is considerable "peddling" by the salesmen in order to get a volume of business, the costs may run as high as 18 per cent.

Selling Costs of Certainteed Products Company.—The selling costs of the Certainteed Products Company range, it is said, from 3 to 9 per cent. In the opinion of this firm a

**THE 1921 RECORD OF 341 RETAIL HARDWARE STORES IN EXPENSE
PERCENTAGES BY POPULATION OF COMMUNITY**

Items	2,500 and less	2,500 to 10,000	10,000 to 25,000	25,000 to 50,000	50,000 to 100,000	Over 100,000	General average
Total expense.....	18.29	21.57	24.74	26.89	26.60	23.74	21.54
Owner's salary.....	6.15	5.54	6.30	7.89	5.84	6.25	6.03
Salesmen's salary...	4.44	5.98	6.10	6.39	6.29	6.40	5.50
Exc. office help.....	0.48	0.72	1.46	1.12	2.16	0.63	0.70
Office supplies.....	0.16	0.20	0.24	0.18	0.21	0.22	0.18
Store supplies.....	0.15	0.15	0.15	0.16	0.13	0.42	0.17
Postage.....	0.14	0.15	0.14	0.14	0.10	0.13	0.14
Advertising.....	0.49	0.82	1.20	0.91	1.33	1.06	0.74
Heat, light, water...	0.45	0.44	0.62	0.65	0.67	0.54	0.50
Delivery.....	0.56	0.97	1.65	1.23	1.93	1.47	0.93
Telephone and tele- graph.....	0.17	0.16	0.15	0.17	0.16	0.21	0.17
Collections.....	0.07	0.06	0.02	0.04	0.02	0.06	0.05
Rent.....	1.45	1.92	2.50	3.12	3.01	3.23	2.00
Repairs.....	0.16	0.21	0.05	0.39	0.28	0.16	0.17
Insurance.....	0.58	0.51	0.55	0.57	0.70	0.56	0.57
Interest.....	0.92	0.94	0.53	0.78	0.49	0.22	0.80
Donations.....	0.11	0.14	0.15	0.08	0.19	0.05	0.11
Taxes.....	0.92	0.99	0.72	1.53	0.73	0.65	0.93
Miscellaneous.....	0.55	0.58	0.55	0.56	1.32	0.46	0.60
Depreciation furni- ture and fixtures.	0.28	0.32	0.27	0.30	0.58	0.26	0.30
Depreciation de- livery.....	0.25	0.25	0.26	0.27	0.14	0.25	0.24
Losses bad accounts	0.82	0.52	1.10	0.43	0.32	0.51	0.71

EXHIBIT 29-b.—Interesting analysis of the expenses of the 341 hardware retailers.

man averaging a low selling cost might not necessarily be a better salesman than one with a high selling cost, because there are so many things that have to be taken account of when figuring selling cost. Naturally, they argue, it would not cost a salesman so much to produce business in a city of large population, where he could go from one point to another in the subway, or on the trolley-cars, and have some fixed place of residence, as it would were he assigned a territory

extending over a wide area and have to spend considerable money in railroad fare, hotel bills, and other expense. Then, too, there are personal details like sickness or trouble of some kind in the salesman's family that have to be reckoned with, if a man is to be judged according to his real ability and not alone on the low selling cost that he maintains. The Certain-teed people believe that it pays to keep in such close contact with their salesmen that these things may be taken into consideration when determining a man's worth.

Portland Cement.—One of the largest Portland cement manufacturers, selling to dealers, contractors, state and federal governments, gives its total selling cost as being just a little in excess of 5 per cent. Its costs in years past have been as high as 10 per cent. These figures, however, do not include any consideration of package expense.

Costs in the Department and Retail Specialty Stores.—Exhibit 30 is an interesting summary of various kinds of overhead and selling expense in a number of different lines of retail merchandising. Inside selling expense ranges from 4.9 to 15.83 per cent.

Comparison of Selling Costs of Staples with Selling Costs of Specialties.—Extensive researches show that while a great many staples may be marketed at a total selling expense ranging from 4 or 5 per cent to 10 per cent, where the volume of sales is very large, the selling cost of specialties may run anywhere from 15 to 60 per cent. Indeed, in many cases the salesman's commissions alone will run from 25 to 50 per cent.

These large selling costs may be reduced, in those cases where the article is one on which repeated sales may be made, without further sales effort or little sales effort. On the other hand, many specialties do not bring repeated sales, and thus carry an abnormally high selling cost.

Printers' Ink, answering a question of a subscriber about sales costs, says, editorially:

To determine what shall be allowed for selling expense in any particular field, it is necessary to make a rather close study of the business. Here are some of the factors that must be considered:

EXPENSE AND PROFIT FIGURES IN 15 LINES

Type of Store	Total Expense %	Net Profit	Gross Margin	Stock Turnover	Total Salaries & Wages	Exec. & Office Salaries	Inside Selling Salaries	Rental	Advertising	Taxes	Interest	Supplies	*Service	Repairs	Insurance/ Bad Debts	Depreciation	Delivery	Total of General Selling	
Department Stores (Aver.)	27.8	0.9	28.7	3	15.4	3.2	6.6	2.4	2.4	0.6	2.3	0.3	0.6	0.2	0.4	0.2	0.5	0.9	8.7
Annual Sales To \$250,000	26.6	10.8	25.8	2.2	14.5			2.2	1.8	0.7	2.9	0.6	0.7	0.1	0.5	0.3	0.4		
Annual Sales To \$500,000	27.5	0.7	28.3	2.9	15.6			2.2	2.1	0.7	2.4	0.5	0.7	0.2	0.5	0.2	0.4		
Annual Sales To \$1,000,000	28.6	1.0	29.3	3.5	15.5			2.3	2.6	0.6	1.9	1.0	0.7	0.3	0.5	0.2	0.5		
Annual Sales To \$2,500,000	28.7	1.5	30.2	3.3	15.8			2.9	2.9	0.5	2.0	0.9	0.6	0.2	0.3	0.2	0.6		
Over \$2,500,000	28.5	3.1	31.6	4.0	16.0			2.7	2.7	0.5	1.9	1.2	0.5	0.2	0.3	0.2	0.5		
Drug Stores	27.6	6.3	34.0	2.3			12.0	2.8	0.7	0.4	3.1		0.8	0.2	0.4	0.3	0.6	0.1	13.3
Shoe Stores	27.8	11.9	25.9	1.9		3.5	10.8	3.0	2.3	0.7	3.1	0.3	0.6	0.2	0.5	0.2	0.4	0.2	15.4
Jewelry Stores	43.5	16.6	36.9	0.8		6.2	12.8	6.4	2.5	1.3	7.0	2.3	1.1	0.8	0.8	0.5	0.9	0.2	
Groceries	16.8	2.5	19.3	8.3		2.0	4.9	1.1	0.2	0.2	1.0		0.23	0.07	0.15	0.3	0.27	2.4	5.9
Meat Stores	16.57	2.29	18.86		10.25			1.33			0.51	0.76	0.98						
Hardware	21.0	5.9	27.1	2.1	10.2	4.0	6.2	1.7		0.5	3.3		0.4	0.1	0.4	0.5	0.8	0.7	7.0
Furniture	30.2				12.1			4.6	3.0		2.0	0.25	1.5		1.75	0.5	2.0	2.5	
Stationery	34.17	2.86	36.87	2.89		7.32	15.83	3.28	1.34	1.09	0.74	0.71	0.93	0.58	0.57	0.74	1.74	1.19	
Men's Clothing	24.03	1.13	25.16	2.1		4.99	4.49	2.64	2.07	0.58	0.64	0.46	0.66		0.47	0.64	1.83		

* Less
 † Service means light, heat and power principally.

EXHIBIT 30.—Chart published originally by the *Retail Ledger* showing the percentages of various kinds of expense in department stores with annual sales ranging from \$250,000 to \$2,500,000 or more, also in nine different groups of specialty retail stores. These figures are general averages from the costs of a large number of retail stores.

production costs, how much of a spread between producer and consumer the product will stand, the rate of turnover, the seasonal aspect of the product, market possibilities, what competition is doing, and so on.

Generally speaking, there is a tendency in launching a new product or in broadening the market for an old one, not to allow a sufficiently high expense for selling. If the selling margin is too low, the sales executive has to skimp on necessary promotion. His advertising is not extensive enough to make a proper dent in the prospective market. Not enough salesmen are sent out. Then, too, cheaper men are hired than the proposition needs. As a result the product does not go over so well as was anticipated and the sales cost consequently runs higher than was figured. Unless a more liberal policy is adopted, the product is likely soon to occupy the advertising graveyard.

On the other hand, where an adequate amount is appropriated for sales promotion, there is enough advertising to put over the job and enough high-grade salesmen to back it up fully. In that case, the sales expense is likely to be greatly less than was anticipated for the simple reason that good advertising plus adequate selling usually runs sales to a higher figure than was thought possible. Within the limits of discretion, it is more profitable to splurge than to skimp in appropriating money for sales purposes.

A Research Department's Findings on Costs.—The figures shown in Exhibits 31 and 32 originated in the Research Department of the International Magazine Company and were assembled in 1920.

While these figures are of interest, they cannot be taken as very accurate guides, for no data is available as to the methods used by the concerns listed in making up their costs. Very likely those for whom both advertising and selling costs are given included the advertising cost as part of the selling cost, but it is possible that in some cases the selling cost is put down merely as the salesman's salary and expense. It is obvious that the figures refer particularly to the manufacturers' costs and do not take into account additional expense that may be incurred by retailers.

SELLING AND ADVERTISING COSTS IN REPRESENTATIVE LINES

Line of business	Average selling cost, per cent of sales	Average advertising cost, per cent of sales
Agricultural equipment.....	27.0	.....
Automobile.....	3.0	.....
Automobile accessories.....	15.0	1.75
Automobile tires.....	20.0	3.0
Building material.....	15.0	4.5
Candy.....	5.0	.....
Chemicals.....	27.0	10.0
Clocks.....	5.9	3.5
Clothing (women's).....	18.0	4.5
Cooking utensils.....	20.0	5.0
Department stores.....	3.0	.....
Dry goods (wholesale).....	4.0	2.0
Engines and boilers.....	4.0	1.5
Fire extinguishing apparatus.....	12.5	.....
Food products apparatus.....	18.0	10.0
Furnace and heating apparatus.....	10.0	2.0
Grocery (biscuits and crackers).....	22.0	2.0
Hardware (manufacturing).....	8.5	1.5
Hardware (wholesale).....	4.0	.....
Insurance.....	.....	1.5
Kitchen cabinets.....	18.0	5.0
Knitting mills.....	19.0	2.0
Leather specialties.....	4.5	2.0
Lithography and printing.....	9.0	2.0
Lubricants.....	4.0	1.0
Lumber.....	7.0	1.5
Machinery (printing).....	14.0	1.5
Machinery (manufacturing).....	28.0	1.0
Medicines.....	25.0	10.0
Office appliances.....	43.5	2.0
Office equipment.....	25.0	3.0
	(of shop cost)	
Overalls.....	7.0	5.0
Paint.....	3.3	.....
Paper.....	2.0	0.25
Paper specialties.....	10.0	.....
Pharmaceuticals.....	18.0	0.2
Roofing.....	7.0	.....
Salt.....	5.0	.....
Sewing machines (manufacturing).....	8.5	2.5
Shoes.....	11.67	0.17
Stationery supplies.....	10.0	6.0
Steel.....	25c to 50c per ton	
Stoves and ranges.....	18.0	5.5
Stoves (oil).....	11.0	5.0
Taps and dies.....	5.0	2.6
Toilet specialties.....	.....	4.0
Varnish.....	4.0	.....
Watches.....	8.5	4.5

PER CENT OF SALES EXPENDITURES FOR ADVERTISING BY TYPICAL
AMERICAN CONCERNS

Concern	Advertising, per cent of sales
Arrow collars.....	3.5
Baker-Vawter system.....	3.5
Berry Brothers varnish.....	4.0
Cadillac automobiles.....	1.0
Champion spark plugs.....	7.0
Cloth-craft clothes.....	1.5
Colgate's preparations.....	2.0
DePree Chemical Company.....	6.0
Evinrude motors.....	8.0
Fatima cigarettes.....	5.0
Globe-Wernicke cabinets.....	3.0
Great Northern Railroad.....	1.83
Hudson automobile.....	1.3
Ivory soap.....	3.0
Kewanee boilers.....	2.5
Kodaks.....	3.0
McCray refrigerators.....	7.5
Markham air rifles.....	5.0
Northern Pacific Railroad.....	1.9
Old Dutch cleanser.....	10.0
Packard automobiles.....	1.1
Phonographs.....	5.0
Reo motor cars.....	1.0
Ruud heaters.....	3.0
Santa Fe Railroad.....	2.5
Saxon automobile.....	2.6
Sears, Roebuck & Company.....	10.0
Sherwin-Williams, paint.....	3.5
Stromberg carburetors.....	3.5
Studebaker automobiles.....	2.0
Union Pacific railroad.....	2.5
Universal Portland cement.....	2.0
Velvet tobacco.....	6.0
Welch's grape juice.....	10.0
Wooltex clothes.....	2.0
Wrigley's chewing gum.....	14.0

EXHIBIT 32-a.

GENERAL PUBLICITY AND DEALER HELPS

Line of business	Proportions of advertising appropriations devoted to	
	General publicity, per cent	Dealer helps, per cent
Jewelry manufacturing.....	73	27
Automobile manufacturing.....	90	10
Food manufacturing.....	85	15
Women's clothing manufacturing.....	95	5
Office equipment manufacturing.....	75	25
Stetson Hat Company.....	40	60
Glidden Varnish Company.....	40	60
Bradley Knit Goods Company.....	50	50
Ingersoll Watch Company.....	57	43
Pratt and Lambert (Paint).....	65	35
O'Sullivan rubber heels.....	85	15

EXHIBIT 32-b.

Figuring Salesman's Expense and Advertising Expense by Calls.—It is the practice in some quarters to figure the sales cost by calls, showing not only the salesman's direct expense but also the advertising expense incurred in the salesman's territory, divided by the number of his calls. In this way, it can be impressed on a man how much or how little use he is making of advertising that was planned to break the ice for him or to make it easier for him to drive his arguments home. The newspaper and direct advertising in a given region can be easily figured. The only method of figuring the cost of national advertising is to take the circulation of the various mediums used as it is given for the territory that the salesman covers.

Advertising expense is more frequently shown in its relation to the total amount of sales, but there is also something to be gained by showing it according to the actual work of the salesman in his calls.

Paint Company's Method of Figuring "Call Expense."—One of the principal discussions in an annual convention of Lowe Brothers Company (paint manufacturers) was on the cost of salesmen's calls.

From the daily report sent in by the Lowe salesmen it was easy to sum up the number of calls, the number of days spent in traveling, and the towns in which calls were made.

A territory near the home office was selected for study; 224 calls had been made there during the year; there were 166 calls on established agents, and 58 in towns where there were no agents; 204 days were spent in traveling.

Taking the salesman's salary, commission and traveling expenses into consideration and dividing by the number of calls made, the expense per call in that territory was \$18.70. For the 58 towns having no agents the cost of getting the new business amounted to \$1,084.60. Seven new agents were gained; at the total cost of \$1,084.60, the selling cost for each agent amounted to \$154.91.

To show concretely the necessity for planning travel with greater concentration of effort and for adhering strictly to the plan, a map 4 by 6 feet, picturing the particular territory under discussion, was put up for the men to see and analyze. This demonstration is described in *Printers' Ink Monthly* (June, 1922).

Counties were marked with the letters of the alphabet and towns with numbers in the order in which they were visited from the beginning of the year. Towns having agencies were marked with a red ring; those places where prospective customers were still worth working on were marked with a green ring; places where calls were made but considered not worth following up were marked with an "X." The actual amount of sale to the dealer in each town was indicated.

The salesman for this territory lived ninety miles from the center of it. So a red string attached to a nail marking this man's home town was carried to a nail indicating the first town at which he stopped. It was strung from place to place wherever he stopped in the first week's travel and then back again to his home for the week-end. For the next week a string of different color, fastened to the red string at the home town, was also carried from place to place and fastened at each by a nail. The salesman's journeys for the whole year were so indicated with vari-colored string. To save time during the discourse the strings on the map were unwound in the reverse

order of the trips—the last place made during the year had the string unwound first from its nail. Next to each town number was shown the number of calls there during the year and underneath the cost of these calls at \$18.70 each.

The glaring facts brought out during this study showed that one agent who was called on once did not buy at all during the year; seven calls at an expense of \$131 were made in a town where not a single sale was made; a specially favored account had received 52 calls at an expense all out of proportion to the profits on it. Sales for the year amounting to \$18.20 were gotten from an "agency" which had received one call; another bought \$1,850 worth of goods and had been visited but once; still another was not called on at all, but bought \$208 worth of goods.

The result of showing up such wasteful effort and, in some instances, lack of effort has caused the district sales managers of this concern to instruct the salesmen to send in their route-lists two weeks in advance. In some cases the route is laid out for a period of one to six months. Salesmen covering their territory in badly planned, jump fashion now have the matter called to their attention.

What Budgeting of Sales Expense May Accomplish.—A showing of \$19 a day as the average expense for each salesman made one manufacturing organization realize that some jobbers' towns do not produce business warranting such expenditure. The following, summarized from *System*, April, 1922, indicates how expense was reduced through the budgeting method.

From the records for the previous year sales promotion expenditures for the coming year were estimated and the items allocated to the total volume. The specialty of this manufacturer is marketed through the jobbers generally. There is not much further chance of opening up new fields for jobber distribution and the company's chief aim is to see that the jobbers do not neglect to push the article.

For each of 68 jobbers' cities a quota of expense was built according to what the city was worth to the firm. The routing was made to bring the salesmen to the jobbers, once, twice, three times, four times, half a dozen or a dozen times a year,

according to the money permitted to be spent upon each jobber, as indicated by the volume of the goods distributed in the territories.

A tabulation sheet made out a year in advance shows the number of calls to be made in each jobber's city throughout the year and shows exactly when a salesman will be in a given city. Now and then, for special reasons, there may be a change in this itinerary.

Route sheets and maps are used to show the plan clearly. See Exhibit 33.

Oth. Lerner 2100-812/70	
3/9-10	Feb 27 - Gardner
4/1-12	Feb 27 - Gardner
5/1-11	Feb 27 - Gardner

A. P. Gardner (10.4/40)	
Monday February 28th to Saturday March 31	
Cincinnati, Cincinnati, all towns of Ohio, all towns of Indiana	
28th of Cincinnati	\$16.25 x 3 days salary = \$48.75
29th of Cincinnati	\$16.25 x 1 = = \$16.25
30th of Cincinnati	\$16.25 x 1 = = \$16.25
31st of Cincinnati	\$16.25 x 1 = = \$16.25
1st of Huntington	\$27.00 x 1 days salary = \$27.00
2nd of Huntington	\$27.00 x 1 = = \$27.00
3rd of St. Louis	\$15.00 x 2 = = \$30.00
4th of Cincinnati	\$17.50 x 2 = = \$35.00
5th of Cincinnati	\$17.50 x 2 = = \$35.00
6th of Cincinnati	\$17.50 x 2 = = \$35.00
7th of Cincinnati	\$17.50 x 2 = = \$35.00
8th of Cincinnati	\$17.50 x 2 = = \$35.00
9th of Cincinnati	\$17.50 x 2 = = \$35.00
10th of Cincinnati	\$17.50 x 2 = = \$35.00
11th of Cincinnati	\$17.50 x 2 = = \$35.00
12th of Cincinnati	\$17.50 x 2 = = \$35.00
13th of Cincinnati	\$17.50 x 2 = = \$35.00
14th of Cincinnati	\$17.50 x 2 = = \$35.00
15th of Cincinnati	\$17.50 x 2 = = \$35.00
16th of Cincinnati	\$17.50 x 2 = = \$35.00
17th of Cincinnati	\$17.50 x 2 = = \$35.00
18th of Cincinnati	\$17.50 x 2 = = \$35.00
19th of Cincinnati	\$17.50 x 2 = = \$35.00
20th of Cincinnati	\$17.50 x 2 = = \$35.00
21st of Cincinnati	\$17.50 x 2 = = \$35.00
22nd of Cincinnati	\$17.50 x 2 = = \$35.00
23rd of Cincinnati	\$17.50 x 2 = = \$35.00
24th of Cincinnati	\$17.50 x 2 = = \$35.00
25th of Cincinnati	\$17.50 x 2 = = \$35.00
26th of Cincinnati	\$17.50 x 2 = = \$35.00
27th of Cincinnati	\$17.50 x 2 = = \$35.00
28th of Cincinnati	\$17.50 x 2 = = \$35.00
29th of Cincinnati	\$17.50 x 2 = = \$35.00
30th of Cincinnati	\$17.50 x 2 = = \$35.00
31st of Cincinnati	\$17.50 x 2 = = \$35.00
1st of Chicago	\$10.00 x 1 = = \$10.00
2nd of Chicago	\$10.00 x 1 = = \$10.00
3rd of Chicago	\$10.00 x 1 = = \$10.00
4th of Chicago	\$10.00 x 1 = = \$10.00

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Grand Rapids				X	X	X	X	X	X	X	X	X
Detroit	X	X	X	X	X	X	X	X	X	X	X	X
Louisville											X	X
Indianapolis										X	X	X
Chicago	X	X	X	X	X	X	X	X	X	X	X	X
Nashville											X	X
Birmingham											X	X
New Orleans										X		
Memphis										X		
Milwaukee	X	X	X	X	X	X	X	X	X	X	X	X
St. Paul	X	X	X	X	X	X	X	X	X	X	X	X
Woopung	X	X	X	X	X	X	X	X	X	X	X	X
Minneapolis	X	X	X	X	X	X	X	X	X	X	X	X

EXHIBIT 33.—Forms by which a budget and a routing may be planned carefully for each part of the salesman's territory and his expense showing kept up to date. Published originally in *System*.

Large cities such as New York and Philadelphia are called upon twelve times a year, and Baltimore six times. The man who visits these cities also gives New York State and Toronto four visits, Boston and some parts of New England six visits, other parts of it three. He goes through to Atlanta twice. Thus, his routing is so arranged as to cause him to visit the first two cities once a month, Baltimore every other month, every third month the New York State cities and on through Canada

to Toronto. Free time in the remaining months is devoted to New England, Eastern Canada and the Southeastern United States.

In a special book is noted the quota for each jobber, a page for each. Every time a call is made upon a jobber an entry is made of the salesman's salary and other expenses which at once shows if the amount is in proper proportion to the quota.

Since the volume of business in cities like Chicago and New York is so great, a larger quota of expenditure is permitted than can be spent on the travelers visiting other cities. Hence it is also possible to maintain there a resident salesman whose salary and expenses are likewise indicated against the quota.

This simple record is kept by the manager himself and helps him plan sales development. He checks the weekly accounts of the men. Included in the charge against the local distributor's sales expense is the cost of the salesman's travel there from the place of call immediately preceding. Record of expense for a city is made from the salesman's report, including amount of salary for each day spent in that city, or getting to it. From that sheet the figures are carried to what may be described as a sort of ledger account for each jobber in a city. At the top of each such sheet is shown in red ink the average monthly volume of business expected and the sum justified for promotion work during the year.

Such records may reveal that the sales promotion man does well to skip a special city next trip, or to make an additional trip.

The sales manager of this organization asserts that this simple and effective method accomplishes its purpose in preventing wasteful spending of time and money for insufficient return. It appears to be an excellent plan for keeping selling expense within proper limits, with due regard for the profits from a given territory.

Sales Cost Reduction by Increasing Staff and Installing Mail-order Division.—An established firm made an analysis which showed that the expense for their city sales was too great. The experiment was made of rearranging city territory in smaller units or districts. One man was put in charge of a given district and was wholly responsible for it. He received credit for sales taken care of by the house force; he

got the usual commission on any sales coming from his district whether he went to the dealer to sell or the dealer came to the house to buy.

Each house salesman in this organization gets a small percentage on all business accruing from a group of districts; the individual amount on each sale is nominal but the accumulated sum is worth while.

The salesman for this concern who had charge of the New England territory was also responsible for New York and Philadelphia. It was decided to withdraw New York and Philadelphia from his territory and to assign these cities to another man. The additional expense of the second man's salary was quickly justified by the increase in business.

Under the new plan, general advertising expenditure was increased and a mail-order department was put on a sound basis with unstinted expenditure of money. Hitherto this department had been opposed by the salesmen who believed it would take a part of their commissions. This prejudice was circumvented by sending the mail-order catalogue at first only to those towns which the salesmen did not find it profitable to visit. Later a much improved catalogue and a large amount of direct-mail advertising were sent to all customers and prospective customers. The salesmen now "talk up" the catalogue and even go so far as to help their customers make up orders from it to send in by mail; the salesmen know they will get credit for such orders. If the mail-order comes from a merchant who is not called upon by a salesman, the mail-order department gets the credit and the house salesman gets his usual commission. A commission of an amount like that allowed the house salesman is given the mail-order department on all business coming from cities where the salesman calls.

The mail-order department, the house sales staff and the road men now work practically in perfect harmony for the benefit of the firm. Although there is a much larger expenditure for maintenance of sales and mail-order departments, this increase is justified by a greatly increased volume of business that has really caused a saving.

(Summarized from *Printers' Ink*)

SECTION V

RESEARCH AND ANALYSIS

THE NEED FOR MARKET ANALYSIS

The modern sales manager makes use of research and analysis methods for a number of reasons.

1. Much less attention has been devoted in the past to effective and low-cost distribution of commodities than to the production of such commodities. To put it another way, manufacturing methods have, in general, been made more efficient than distribution facilities. Figures and charts such as those shown in Section IV of this volume indicate that distribution costs have increased disproportionately on many of the staple products. Statisticians are pointing out that labor costs in the manufacturing end of business, despite the great increase in wages, are often not more than 10 to 20 per cent of the consumer-price of the products, that the percentage for transporting, compensation to jobber and retailer, warehousing, credit loss, and so forth, frequently absorb more than half the cost of the consumer-dollar—sometimes three-fourths. They are also showing that it seems now-a-days to require more people to move a given quantity of goods—say a thousand dollars' worth—than it did a generation ago, despite all our boasting about improved methods. A great deal of publicity has been given to this situation and the lesson for the sales manager is plain.

2. Competition has become more severe, resulting in the multiplication of products. Competition may, in fact, sometimes induce more efficient methods but an over-supply of products or injudicious sales effort may bring about the wastes of duplicated salesmanship, slow turnover, dealer change, returned goods, shopworn goods. It is essential, therefore, to learn where goods can be placed to the best advantage, at what season they can be sold at the greatest profit, and so on.

Through a well planned campaign, coal companies have induced summer buying, and Portland cement manufacturers and retailers have greatly increased the winter use of their product.

3. Possible consumption should be determined. Many manufacturers have learned the lesson that the growth of plant and production beyond possible sales at a fair price may result in chaotic selling methods and a decrease in profits. If a certain market is glutted, or if competition is such that effort is unprofitable, it is important to learn these facts and to locate the more fertile fields. Production in a number of lines has long ago exceeded the consumption in America, making it necessary for other outlets to be found, if the movement of goods is to be kept continuous and selling costs kept down. When production ceases temporarily or when goods must be disposed of at bargain prices, certain costs go on just the same. "New markets" do not necessarily mean the markets of other countries. They may be undeveloped markets of this country. When a tissue-towel manufacturer became aware of the limitations in office sales, he perfected a smaller roll and a cheaper fixture and made sales to individual homes a possibility.

4. Good merchandising means finding what pays and what does not. Cost accountants are finding that both retailers and manufacturers are frequently billing various products at less than actual cost, the losses being covered by profits on other goods. It is often a shock to a business man to learn that a branch of his business that he imagined was paying a profit is actually bringing him a loss. Usually, if he is a manufacturer, he knows what production costs are. But it is no uncommon thing to find him blissfully ignorant or neglectful of certain of his selling costs. The retailer is well aware of what his rent and his payroll amount to. But too often he is unaware of the exact cost of storing, displaying, selling, delivering and collecting for certain merchandise. Even in one organization, great variations may be found in the amount of territory covered by salesmen and in the cost per unit of sales. This may be due to poor management in

the laying out of sales work, or poor judgment in selecting or training salesmen.

5. Advertising is salesmanship on a large scale. "Mass selling" it is often called, and it is so easy to spend large sums of money in advertising that great care must be taken lest it be spent prodigally—at the wrong season, spent where sales can be only small, spent in appealing to the wrong group, spent in vain imitation of what competitors are doing, or spent without coordination with the advertiser's own sales organization or the cooperation and sympathy of the trade.

Market analysis is a broad subject of many interesting phases. Those who feel like delving into the subject more thoroughly than is possible in one Section of this volume will find White's "Market Analysis" (McGraw-Hill Book Company, Inc.) a thorough treatise. The topics covered in the following pages are those selected because of their common interest to sales managers, advertising managers and advertising agencies.

SALES RESEARCH

Sales cannot be created unless sales possibilities exist. This may seem so obvious a truth that it need not be stated, yet factories and stores and sales organizations have been created when the chance of selling the product successfully were so remote that success was practically impossible.

Cold Facts for Comparison with Vision.—In putting down the foregoing observation, there is no intention to discourage vision, imagination, courage and foresightedness on the part of inventors, manufacturers and selling organizations. Scores of products could be listed that were not in demand at the time they were created or put before the public: a market was made for them, and these markets were possible because the products filled a real need and the *sales possibilities* existed. The task was merely that of making a useful product and of carrying on advertising and selling work that developed a growing market. This is entirely a different situation from that in which a market is already over-supplied or filled with strong competition, or a situation where there is so little prospect for a

successful business that capital and effort would be wasted in making an attempt.

To put it in an elementary way, the growth of a city may be westward and thereby give encouragement to a business man that an opportunity for a large general store exists in the upbuilding west end of the city. The attempt may be made too soon—five years before the trade in that end of the city is sufficient to support such a store. At the end of five years the growth of population and the development of a number of different stores and shops may be such as to draw trade that will make the large general store a possibility.

Poor Guessing on Phonograph Business.—In 1916 the wonderful development of the phonograph and talking machine business made it obvious that a manufacturer with sufficient capital, a few patent rights and the ability to manufacture and sell wisely would enjoy an opportunity. Three years later it became apparent that the crest of this business had been reached; that competition had become so keen that none but the best-equipped and protected manufacturers had a chance to make profits. This situation and the slump that followed the Great War caused the failure of several concerns of this class and caused others to lose business almost to the point of bankruptcy. In this field there was a time when research and foresight would have shown that the possibilities for a successful business existed. Later, the same kind of research and foresight would have shown it prudent not to enter the field.

WHAT SALES RESEARCH MAY SHOW

In the case of a new business:

1. The number of possible consumers.
2. Location of these consumers.
3. Attitude of possible consumers toward article.
4. Attitude of trade, if article is to be sold through the trade channels of wholesalers and retailers, or merely through retailers.
5. Competition that must be faced.
6. Price that must be secured to make a profit.

7. Distinctive features of article as compared with features of other articles that consumers are now using in its place.
8. Sales method or trade channel that affords the best chance for initial success.
9. Later methods or trade channels, if a second method is likely to follow the introductory methods.
10. Form that goods must take as to quantity or unit sold, package, name.
11. Profit necessary to wholesaler, retailer or sales agent.
12. Advertising or other methods of securing business.
13. Capital required for sound establishment of a business.
14. Location of business as to market and transportation.
15. Length of time probably required to come to a profit-paying basis.

For an old established business:

1. How distribution can be extended—new groups of customers attracted, new dealers or agents secured, and so on.
2. The need for a new style or model, or for a simplification of present styles or models.
3. The inroads of competition, and ways of offsetting such inroads.
4. Possible change in size, price or style of package.
5. New advertising or selling practice.
6. Attitude of old purchasers and possibility of extending sales through them.
7. Statistical data, showing possibilities for future sales operations and consequently an index to factory operation. Such data may be obtained from research bureaus, the government, the financial interests, the press, through private reports, and still other sources.

In the case of an established commodity the market may be "saturated," or competition may be such that a manufacturer or a merchant would not be warranted in greatly increasing his capacity or his sales effort. On the other hand, research may show to a foresighted management that the firm can

anticipate the turn of events and begin a year or so ahead to plan for more extensive operations.

The Bubble Book Incident.—The most successful manufacturer of talking machines or phonographs had the first opportunity to secure the rights to the producing of the so-called "Bubble Books," the children's books containing the words of well known songs, along with tiny records that can be played on most phonographs. This successful concern probably made little effort to learn, through research, just what it might add to its market by producing this new form, or new package, of records. It let the opportunity go, with the result that a competitor took hold and for a year or so enjoyed almost a monopoly of this particular field of phonograph-record sales. The older company to which the opportunity was first presented saw its error and a year or two later made an effort to get into the new market, and with some success. But it could have saved a year or so and a tremendous total of desirable new business by a more careful insight into the possibilities offered by the Bubble Books for children.

Sales Research as a Basis for Investment of Capital.—A thorough review of a field is often necessary before either a new concern or an old concern can show those with capital to invest that a business is warranted in seeking establishment or an enlargement of its activities. Those who undertake to sell stock or bonds must have tangible data on which to base their recommendations to investors. A document of this character should be replete with reliable statistics, easily understood tables, charts of past operations and probable future operations and sales, cost of manufacturing and selling, possible profits, competitive situations, the trend of the times, and so forth.

Exhibits 34 and 35 illustrate how a chain or system of stores selling popularly priced goods showed such facts to prospective investors. These exhibits are just a few specimen pages from an impressive report.

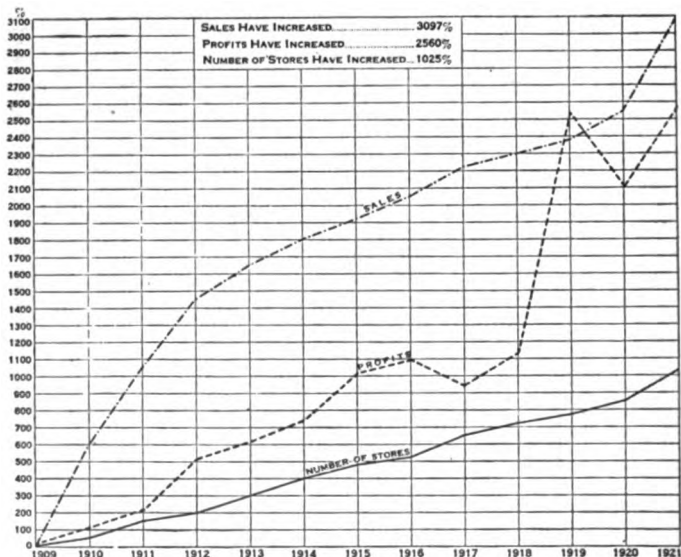
Internal Records as Source of Information.—Often the internal records of a concern that is having research work done afford valuable information that has not been analyzed or

W. T. GRANT COMPANY

CHAIN OF DEPARTMENT STORES

DEALING IN STAPLE MERCHANDISE AT PRICES UP TO \$1.00

Chart Showing Growth of the Company Over 1909



W. T. GRANT COMPANY—PERTINENT FACTS:

Increased both sales and net profits in depression of 1921.

Has made substantial profits each year of operation—1906-1921.

The greater part of this consistent growth has been financed from profits.

Does a cash business with inventory turnover of 6 to 7 times per year.

Since 1916 has earned 70% per year on the outstanding preferred stock.

BLAKE BROTHERS & CO.

5 NASSAU ST., NEW YORK 111 DEVONSHIRE ST., BOSTON

EXHIBIT 35.—Chart showing graphically the growth of the Grant stores, their sales and profits.

circulated. Ernest S. Bradford, writing on "Research Methods in Marketing," (*Administration*, February, 1923) gives this excellent illustration:

One of the results of installing a research bureau is, frequently, to call attention to this lack of satisfactory internal statistics, and so to improve the methods of record-keeping as to yield data commercially adequate. Where such records are already regularly kept, they are likely to prove a mine of information, and to afford a basis for predicting future business which can be found nowhere else.

The records of one large division of a company which kept a card for each leading customer, showing the items bought during twelve months, together with the date and amount of each purchase, were analyzed by the research staff at the outset of a particular investigation. A review of 8,000 cards—out of a total of some 25,000—showed that about a third of their customers purchased more than \$100 worth of these goods annually, another third purchased from \$25 to \$100 worth, and the remainder less than \$25 each, during the year. Analysis from the standpoint of sales, however, showed that 97 to 98 per cent of the sales were to customers in the first class—purchasers of goods amounting to more than \$100. Further study of this class showed that those customers who purchased goods to the amount of more than \$1,000 a year, though numbering only 6 per cent of the total number, bought about 85 per cent of all the goods sold, and those buying from \$100 to \$1,000 worth took about 12 per cent.

Detailed analyses of the sales to a certain number of these larger purchasers followed and revealed the fact that certain products were not purchased at all by some concerns, the reason being that the goods had never been effectively presented by salesmen. In other words, a good volume of business in certain lines, continuing year after year, had led salesmen to feel satisfied with a moderate increase in orders for lines already in, and had resulted in failure to bring forward and sell other excellent and satisfactory products. A detailed picking to pieces of the company's records showed where the *holes* were in their market. In this particular instance, it also showed a large number of sales in certain towns which were too small to pay to have a salesman go after, and which, it was decided, could be better handled in the future by mail.

RESEARCH METHODS

The thorough searching for facts is a field of effort requiring discernment, good judgment and the ability to state facts

impressively. It embodies the "nose for news" of the reporter, and the compiling sense of the statistician, as well as the merchandising sense of the advertising man or the sales manager, or the promoter.

There are today well organized bureaus with unusual facilities for digging up facts and figures on any subject, and there are people earning their living by "investigating work." Some of the larger advertising agencies maintain research and reporting departments for the benefit of their old clients or for new clients, to whom they are trying to show the practicability of striving for an enlargement of sales operations.

Sources of Information.—Any or all of the following sources may be used in gathering facts and figures:

1. Federal government statistics as to population, incomes, crops, manufacturing production, occupations, education, farm ownership, and so on.
2. Figures from state and municipal departments as to general construction, road-building, license-issuing, and such data.
3. Reports of various societies, organizations and bureaus covering the businesses of members.
4. Clippings from newspapers, magazines and printed reports.
5. Use of the indexes of the general libraries.

In addition to the general libraries, there are today a number of special libraries likely to be unusually useful where the subject of the inquiry is included within the scope of the special collection of volumes. The *Administration* magazine is responsible for the statement that there are 146 of these special libraries in New York City alone.

6. Speeches of, and interviews with, men in possession of specialized information.
7. Salesmen's reports.
8. Findings of house-to-house investigators.
9. Special reports by trade investigators.
10. Financial or yearly reports of manufacturers.
11. Sales reports from retailers.
12. Data on imports and exports.

13. Reports from correspondents in foreign countries.
14. Answers to questionnaires or special letters sent out.
15. Opinions of men who have experience in lines of business closely allied to the one under study.
16. Experimental campaigns conducted in restricted territory to determine effects.

Census Bureau as a Source of Information.—The Census Bureau of the United States is a vast storehouse of information of various kinds. While a sales manager may not be able to get information that he is seeking as to the number or value of sales of certain kinds, he can learn what the production of those products has been, and probably the stock on hand at the beginning of a year and the stock on hand at the end of a year. Thus, he may have a fairly accurate method of calculating sales.

Furthermore, such information as the amount of horsepower created in various kinds of industries is readily obtainable, and from such figures may be estimated the amount of belting, pipe and boiler insulation, and the like, that is or should be sold.

Certain kinds of information cannot, by the rules of the Census Bureau, be given out. One, for example, asking for the total production of a certain make of talking machines or phonographs, would learn that the information is not of the kind that can be made public. The production of any one of the talking machine and phonograph companies is grouped with those of its competitors. Frequently, however, the various grades of products of the same class are grouped separately. Sometimes when the production of one product is grouped with another that is intimately related, a simple inquiry to the Census Bureau will bring the separate items. For example, a concern producing varnish was vexed, in making use of Census data, to find that the figures on this product were grouped with paints and oils. Inquiry, however, brought the separate totals.

Up to this time no great headway has been made by the Census Bureau in assembling figures that show the costs of selling or the costs of advertising. This is due largely to

the variations in figuring these expenditures, especially among the smaller concerns.

Subjects That Require Personal Interviewing.—From some groups of people questionnaires sent out by mail will bring fair results. Other groups will pay little attention to requests received through the mail. For example, one manufacturer much interested in a product used by shoe repair men tried the mails with practically no results. Nevertheless, when a pleasant investigator went around he had no difficulty in getting the information sought.

Written Lists of Questions.—In order that an investigation may be confined to definite points, it is usually well to have a list of questions to be answered. Whether or not the investigator should show these questions depends on the subject of the inquiry and the class of people interviewed. There are groups that are not embarrassed or made suspicious by seeing questions or having their answers taken down by a stranger. Other groups are either disturbed when they see a list of questions or find it an obstacle to the giving of ready answers. It is for this reason that the modern reporter rarely uses a notebook. He may follow certain "leads" closely but he usually prefers to ask his questions casually, talk freely, encourage the other person to do so, and later put the information on paper.

Salesmen as Investigators.—The salesman is too often lacking in the necessary inquisitive or critical faculty to make a good investigator. He is inclined to be optimistic—to take the best side of the situation—whereas it is just as important to get the unfavorable view as it is to record the favorable one. The model investigator is the person of receptive, impartial mind who can follow a query through and weigh the information secured.

Sales Management's View of Surveys.—An editorial writer in *Sales Management* sets forth that a survey and a report to a manufacturer covering proposed promotion plans should include the following:

1. Organization of your marketing department.
2. Sales policies and practices.
3. The product itself, including packing, labels, enclosures, etc.

4. Your salesmen and the training they should have in merchandising any advertising you may do.

5. The jobber—how he feels toward you and your product.

6. The retailer—whether he is working for or against you. Does he want to sell your product, does he know how to sell it?

7. Sales promotion through store-display, window-display, booklets, catalogues, house organ, circulars, sales letters, etc.

8. The consumer—what he really thinks about your product: detailed reasons why he buys it or fails to buy it.

9. The market that is available to you: the extent to which you are covering it now, and how to get more distribution, and more business from your present customers.

10. How to most effectively reach this market: if by advertising, what kind of advertising—newspapers, magazines, billboards, cards, trade papers, house organ, letters or other direct advertising, etc.? What media? What size? How much and how often?

11. An exhibit showing layouts (the rough plan) for advertising, if it is recommended, with artists' dummies of such things as advertisements, folders, inserts, catalogues, signs, etc. This will make a graphic presentation of the recommendations in the survey, and show the agent's conception of the form in which selling arguments should be presented to the consumer and to the trade.

Goodrich Rubber Company's Research Methods.—In the March 6, 1920, issue of *Advertising and Selling*, H. W. Hohaus, of the Research Department of the B. F. Goodrich Rubber Company, gave the following summary of the work of a research department:

A central research staff or department assembles all available data bearing on a larger field and a more intensive solicitation. Its functions are many, and as development advances a substantial stability and prestige will be acquired. The following outline suggests proper responsibilities of the central promotion and research staff:

1. Building up statistical groups of immediate value.

2. Developing sources of dependable information and quick reference, both in and outside department quarters, to assure accuracy and make possible fundamental and basic calculations.

3. Analyzing and making deductions and constructions from trade and field reports appearing regularly and containing specific data from field sources.

4. Making comparative studies and analyses of territories to determine tendencies and causes.

5. Assembling facts and authoritative opinions concerning territories not fully developed, or not yet entered.

6. Observing possibilities for new selling channels and developing conclusions which become available at just the right time.

7. Supplementing much of the foregoing with carefully planned tours by staff members.

8. Developing ways and means for distributing marketing and merchandising instructions to field selling units—branches, agencies, salesmen, etc.—in short, to study conditions and report upon them for executive action.

Mr. Hohaus gives some of the sources of information as these:

- | | |
|---|-----------------------------------|
| 1. Farm papers | 12. State departments and bureaus |
| 2. Daily newspapers | 13. County records |
| 3. Trade papers | 14. City records |
| 4. Weeklies | 15. Rating books |
| 5. General publications | 16. Mailing lists |
| 6. Statistical bureaus | 17. Directories of all sorts |
| 7. Chambers of Commerce | 18. Local dealers |
| 8. Merchants' associations | 19. Banks |
| 9. Government reports | 20. Consumers |
| 10. Government departments
and bureaus | 21. Local correspondents |
| 11. State reports | 22. Social surveys |

Gathering Original Information.—The accumulation of printed material and its proper filing and recording form only one aspect, and perhaps the least important, of the work of the research department. A great deal of this work can be done by an experienced library worker who has no particular knowledge of business and its procedure but knows the principles of classification.

Interviews and Expressions of View or Votes.—Political leaders have learned that they are not always safe in counting absolutely on the result of a series of interviews or a poll of the views of a few thousand people. Sales managers and other business executives may profit by the experience of politicians. Much always depends on the way names are selected and the conditions under which views are expressed. People may hesitate to express publicly views that they would give candidly

by means of a secret ballot. Sometimes they give expression to certain views because they think that these views will please the questioner or because such views will reflect more favorably on those answering.

For example, it is said that young men entering the naval service are asked what magazines they read regularly. A number included in their list some magazines appealing to thoughtful and well educated people, though it turned out later that few really read them frequently. Evidently the young men felt that perhaps they ought to read such magazines and that giving these titles in their list would make it appear that they were thoughtful and well informed, and therefore eligible for the better positions in the service.

But, though exact conclusions may not be formed from such expressions, a series of interviews or a poll is often the only way by which even approximations of conditions can be arrived at.

Results from a Poll of Automobile Purchasers.—The following table gives the percentages worked out after a poll of 20,000 automobile owners. These owners were asked by the National Automobile Chamber of Commerce, Inc., of New York (the automobile manufacturers' trade association) to say what qualities or features of a car had the strongest appeal or influence at the time they made purchases. The names were picked in blocks from automobile registration lists of every state in the Union. Thus, the answers may be regarded as representative of the country as a whole.

TABLE 1.—SUMMARY OF POINTS UPPERMOST IN THE MINDS OF AUTOMOBILE PURCHASERS

	PER CENT		PER CENT
1. Endurance.....	15.0	7. Hill-climbing, or power.	7.0
2. Economy of operation.....	14.0	8. Flexibility.....	6.5
3. Comfort.....	9.5	9. Endorsement of car by	
4. Price.....	9.5	others.....	6.5
5. Appearance.....	8.0	10. Specifications.....	6.0
6. Service facilities of manu-		11. Speed.....	5.5
facturer.....	7.5	12. Appointments.....	5.0
			<hr/>
			100.0

It is not stated what percentage of these car-owners are men and what percentage are women. This is an important consideration, for undoubtedly appearance has a stronger appeal in the case of women than in the case of men. Another fact that would be interesting in such a review would be a showing as to what proportion of automobile purchasers considered the viewpoint of a woman in making their selection.

TABLE 2.—FACTORS INFLUENCING PURCHASERS OF CARS, IN ORDER OF CHOICE, COMPARED WITH EMPHASIS IN CURRENT CAR ADVERTISING

Class I (Fords)	Class II (medium priced)
1. Economy	1. Endurance
2. Price	2. Comfort
3. Endurance	3. Price
4. Service	4. Appearance
5. Comfort	5. Economy
6. Appearance	6. Service
7. Hill-climbing	7. Flexibility
8. Flexibility	8. Hill-climbing
9. Endorsements	9. Endorsements
10. Speed	10. Specifications
11. Specifications	11. Speed
12. Appointments	12. Appointments
Class III (above \$3,000)	In 40 current advertisements
1. Endurance	1. Economy
2. Comfort	2. Appearance
3. Economy	3. Price
4. Appearance	4. Speed
5. Hill-climbing	5. Hill-climbing
6. Service	6. Endorsements
7. Price	7. Comfort
8. Flexibility	8. Endurance
9. Endorsements	9. Flexibility
10. Specifications	10. Service
11. Appointments	11. Appointments
12. Speed	12. Specifications

Table 2 is a reassembling of the data set forth in Table 1. But Table 2 takes account of the fact that the answers came from owners of cars in three different classes as to price—I, Cars below \$500; II, Middle-priced cars; and III, Cars priced

at \$3,000 or more. Ten per cent of the replies were from owners of Ford cars.

It is obvious that the selling points and the sales arguments that would be appropriate with the low-priced car probably would not apply in every detail to higher-priced cars. Such items as comfort and appearance would rank much higher in one selling campaign than in another. This, however, does not alter the fact that most men were interested primarily in economy and endurance. Table 2 sums up the factors influencing purchasers of three different groups. It is interesting to see how price ranges from second place in class I, to third place in class II and seventh place in class III.

The three classifications are followed by a summary of forty current automobile advertisements showing the order of the different points listed, according to their frequency of mention or their prominence. In studying this classification of automobile advertising, it should be borne in mind that it is not easy to analyze an advertisement accurately and say just which is the predominating note, which ranks second, and so on. Many automobile advertisements generalize and claim perfection on every point. Other advertisements, such as those of the Franklin car, for example, have a clearly defined emphasis on economy.

At any rate, it seems from these summaries that manufacturers of automobiles have been giving more emphasis to speed and power than they should, considering what automobile purchasers are looking for.

A review of the correspondence in connection with this automobile inquiry showed that only about one-fourth of automobile buyers are apparently interested in the details of engines, axles, frames, shafts, etc. Twenty-three per cent expressed interest in such features, and 48 per cent wrote that they were not interested. Very few, apparently, were influenced by the slogans used by the various automobile manufacturers. Fifty-one per cent thought they were not influenced by such slogans, while about 40 per cent failed to answer the question about slogans and catch-words.

How One Automobile Manufacturer Has Used the Data of the Inquiry.—At least one automobile manufacturer has used

this summary in his sales work, showing just what he has done toward meeting each point of the summary—endurance economy of operation, and so on. The following is the Studebaker Corporation's argument (used in 1922):

1. Endurance.—Studebaker cars are daily giving satisfactory service to 400,000 owners in all civilized countries. Proof of their dependability rests upon the fact that our sales of repair parts, covering repairs from accidents as well as service, for the past seven months averaged but \$7 per car. Up to Aug. 1, 1922, we produced and sold 550,000 Studebaker cars, and are now producing and selling at the rate of 125,000 cars per year, practically double last year's volume, and yet our total sales of repair parts this year are less than they were for the first seven months of 1919.

2. Economy of Operation.—Greatest economy results from minimum repairs and high resale values of second-hand cars in proportion to list prices. Gasoline and oil consumption are next important items of economy. The records of Studebaker cars in all these respects stand out strikingly well.

3. Comfort.—Correct design of weight distribution, spring suspension, seats, upholstery, etc., determine largely the question of comfort. Comfort is not a matter of extra cost and high prices, but is a matter of design. Comfort is characteristic of Studebaker cars. Heavy weight is neither essential to comfort nor an assurance of it, if design is faulty. The weight of Studebaker cars is borne almost equally by the four wheels, which is ideal distribution. With bodies resting without overhang on frames, semi-elliptic springs, seats of generous proportions, and best upholstery, Studebaker cars are necessarily comfortable.

4. Price.—With \$78,000,000 of actual net assets, including \$38,000,000 of plants, and an organization of able, experienced men and workers who participate in the profits of the business, Studebaker stands unsurpassed in resources and ability to *manufacture economically* and give maximum *intrinsic value* for a given price. By manufacturing complete motors, transmissions, axles, frames, bodies, tops, castings, forgings, and stampings, parts-makers' profits on such items are eliminated, and one profit only is included in Studebaker prices. The South Bend plants formerly devoted to the manufacture of horse-drawn vehicles, with recent additions, now manufacture sedan and coupe bodies, at minimum costs (without middlemen's profits), and buyers benefit accordingly.

The materials and workmanship in Studebaker cars measure up to the highest standards known to the automobile industry. Substantially better intrinsic values cannot be obtained at any price. The theory that high prices necessarily mean fine cars is fallacious, simply because prices are not based upon intrinsic values but upon the production costs of different manufacturers, which vary widely, according

to their individual manufacturing facilities, ability, and output. Everybody in the automobile industry knows that standardized cars manufactured complete in large quantities give the greatest intrinsic values, or stated otherwise, the most actual car, per dollar of price. Assembled cars, which constitute 85 per cent of the hundred-odd makes of American cars, are assembled from parts purchased from many sources, which precludes harmonious coordination in design and inevitably increases costs and selling prices about 25 per cent.

5. Appearance.—An automobile should never be bought on appearance, although seemingly 8 per cent of buyers are influenced by appearance alone. An automobile is a highly developed mechanical instrument from which hard, satisfactory service is rightly expected. Studebaker executives and engineers give much attention to appearance, style, and distinctive beauty in the matter of tops, hoods, radiators and fenders (the dress of an automobile). Our bodies are masterpieces of fine craftsmanship, and are unexcelled for comfort and durability.

6. Service.—Studebaker has 3,000 branches and dealers in the United States, and is widely represented in all foreign countries. These branches and dealers carry in stock \$4,000,000 of repair parts for all models of Studebaker cars. The prices of parts for Studebaker cars are lower than (or as low as) those of any cars of their price, and much lower than those of high-priced cars. Studebaker branches and dealers are obligated to render prompt and efficient service to buyers. Studebaker is in business to sell motor cars and not parts. The accessibility of Studebaker cars for quick dismounting and repair work is common knowledge in the garages and among chauffeurs and mechanics all over the world.

7. Power.—In acceleration, power delivered at the point of traction, and hill-climbing ability, all three models of Studebaker cars enjoy unique reputations.

8-12. Sundries.—The other qualities which seemingly influenced the selections of 29.5 per cent of buyers are flexibility, endorsement of others, specifications, speed, and appointments. Studebaker cars stand high in all these respects. Studebaker cars have set many precedents in quantity-manufacture, particularly in the matter of appointments and equipment, such as crown fenders, cast en bloc six-cylinder motors, cord tires, one-piece windshield, cowl ventilator, cowl lights, tonneau lamp with extension cord, windshield wiper, transmission locks, beveled plate glass windows, etc. Satisfied owners are Studebaker's greatest asset.

Study of Tendencies in Rural Roofing.—A business man studying the possible market for fireproof shingles, siding, wallboard and corrugated roofing and sheathing made of Portland cement and asbestos fiber, sent out a research man and reporter to interview the following groups:

1. Building-material dealers
2. Architects
3. Contractors
4. Property owners—which included builders of suburban homes and outbuildings, as well as progressive farmers.

While there were other fields just as important for research as the suburban and rural field, this particular study was undertaken on the fundamental platform that the property owners who were out of town and away from organized fire-protection had an unusual need for fireproof roofs and material in their buildings. Along with the fireproof quality of the asbestos shingles, siding, wallboard and sheathing were the other important features that the material is permanent, does not rot or rust, and requires no painting and little or no repair.

From the architects, the researcher sought to learn:

- (a) How far their clients were interested in getting fireproof homes.
- (b) To what degree the home builder was affected by the fact that a permanent, fireproof material costs more than the inflammable kind.
- (c) What the architect himself thought of the material from the utility and artistic points of view.
- (d) What the architect thought the manufacturer might do to increase the general preference, or the movement, toward fire-safe, permanent properties.

From the contractor, the researcher sought to learn:

- (a) Did they think that the demand today is for a house priced as low as possible, or have people become informed to the point that they demand fireproof construction?
- (b) Frankly, what is your experience in building and selling homes: is the house that, first of all, is cheap in price the easiest to sell, or do you prefer to offer something safer, something more permanent, more economical, and thus more distinctive?
- (c) Do you always buy roofing from building-material dealers or do you buy supplies of this kind direct and then

recommend their use to the property owners that you serve?

- (d) How would you rate asbestos shingles, natural slates, wooden shingles, asphaltic shingles, metal roofing, tile, zinc, copper and prepared roll-roofing as to extent of use?

From the building-material dealer, the researcher sought to learn:

- (a) What is your present volume of sales in asbestos shingles (of different brands), asphaltic shingles, natural slates, wooden shingles, metal roofing, tile, etc.?
- (b) From your experience with home builders, is there a growing trend toward fireproof roofs and for other building material, such as siding and wallboard that is strictly fireproof, rustproof and rotproof, and does not require paint?
- (c) Frankly, how do you, as a merchant, feel about pushing the sale of asbestos shingles, siding and wallboard? Are there any obstacles, and how can the manufacturer remove these?
- (d) Could a salesman working for you, or under your direction, go out into the suburbs and farming territory with samples and photographs and do considerable selling of these products?
- (e) How do you handle inquiries for this kind of building material that come to you from the manufacturer's office after he has given the inquirer preliminary and general information?

From the suburban and farm property owner, the researcher sought to learn:

- (a) What is your attitude today toward fireproof building material and the inflammable kind?
- (b) Have you a fireproof roof or siding, or fireproof wallboard, in any of your buildings?
- (c) If you were to replace a roof today or put new siding on a dwelling, a barn or some other building, what kind of

material would you be inclined to use? Would you feel this way strongly enough to take the matter up with the architect or to insist that a contractor or a building-material dealer supply the fireproof and permanent material?

- (d) How far would the matter of increased cost affect your decision on new building material?
- (e) Have you given much thought to the reduction of insurance that fireproof material brings about?
- (f) From what kind of papers or magazines do you get most useful information on building materials? (Failing to get an answer on this, find what he reads regularly for general information.)

All of the data secured on these topics, from the varying points of view, was summarized and put into readable form for the attention of the manufacturer of the asbestos building products.

The following are specimens of the daily reports sent in by the research man:

Hackettstown, N. J.—Williams and Hibler, Dealers:

Talked first with Mr. Hibler:

Says some people give fireproof question a thought—most do not. Rather hard to get competent workmen.

Asbestos shingles not in demand, as Bangor quarries, which are nearby, permit low prices on slate. Hasn't sold any other asbestos products, on account of the price.

Not very optimistic about conditions. Farmers hard hit this year—dairies have had bad spring. Very little building except cheap stuff.

Good slate here costs half as much as asbestos shingles.

Mr. Hibler grades the roofing demand thus: (1) Slate; (2) Wood; (3) Asphalt.

Mr. Hibler then turned me over to Mr. Williams. He says farmers believe in fireproof stuff but that the price is the main objection. Times bad as can be. Farmers not getting good prices. High cost of labor and present unsettled state of things holds back activities to great extent.

Says advertising has registered on customer's minds, but price stands in the way. Has tried several times to introduce asbestos without success. Slate sells too low here.

Sells a lot of Sheet-rock. Knows other asbestos building material but has never sold any because of the cost. Considerable repair work going on; otherwise quiet.

Says that Johns-Manville Company is putting out an asphalt shingle with asbestos coating to sell cheaper than regular asphalt shingles.

No architect in Hackettstown.

Hackettstown, N. J.—Riverview Farm:

I next saw a Mr. Johnson, owner of Riverview Farm, a dairy farm outside of Hackettstown. Not familiar, from experience, with asbestos. Very strong believer in fireproof material. Believes most farmers feel the same way. Claims good wood shingles are not to be had today, so farmer usually looks up fireproof material. Thinks any campaign to farmers would prove effective. Claims farmers, since 1920, have had little money to spend for equipment and maintenance. Outlook for future is good. Has not used any lumber made of asbestos but says he has seen it on cow barns. Trouble is it is fearfully high. Would be good seller if price could approximate regular lumber.

With reference to slate roofs, he says while cost of material is low, it is rather costly to lay slate. Wages of trained slaters are high. Advantage of asbestos shingles is that any one can lay them.

Hackettstown, N. J.—Mountain View Farm:

E. Trimmer, owner of this farm, is a firm believer in fireproof materials, even if cost would be somewhat higher. Thinks conditions are good now and prospects favorable. Predicts steady rise of milk prices until January. Believes that price is no object to the progressive farmer who is building, provided he gets good value for his money. Has done no building for a long time.

Hackettstown, N. J.—A. H. Osmun, Contractor:

Lot of asphalt shingle work on account of the cheapness. Farmers, he claims, are not in good shape financially. Not building much, but pretty fair amount of repair work going on.

Mostly dairy farms in this section. Milkers' wages are high. Funds scarce. Doubts if any advertising would be profitable just now.

This man has done some asbestos shingle work, but not much. He has not used any other asbestos building materials.

Believes that farmers give little attention to fireproofing question, as their buildings are usually far apart. Price is paramount. Slate roofs have call. Will use other fireproof material when they get it at right price.

OLD AND NEW RESEARCH METHODS OF LARGE PAINT COMPANY

The experience of one of the largest paint and oil manufacturers of America illustrates, first, the rather exhaustive questionnaire sent out to its representatives and its dealers, and, secondly, the more recent methods employed by the same concern.

The Old Questionnaire Style.—The following illustrate fairly well the types of questionnaires used for many years by this organization in making a yearly survey of its field operations, and in investigating local market conditions on products the sales of which were not increasing satisfactorily:

LIST OF QUESTIONS TO BE ANSWERED BY REPRESENTATIVE IN CONNECTION WITH THE YEARLY SURVEY

- Have you any suggestions for new lines to be added to the trade list? To the M. S. D. List? To the Varnish Sales List? To the Railway, Street Railway and Marine List?
- How many agencies have you that handle our full lines of products to the exclusion of those of other manufacturers?
- What is the greatest difficulty you have to overcome in landing new agencies?
- What selling plans do you use in opening up new outlets for Lead?
- Are you thoroughly familiar with all the points in favor of Dry Powdered Arsenate of Lead as compared with paste material?
- There is a rapidly growing demand for as a wood preservative, disinfectant, etc.
- Have you followed up all the telephone companies, illuminating companies and other prospects in your territory on this material?
- Have you any complaints on any goods of our manufacturer? If so, give details.
- Have you any complaints or suggestions in connection with labels, packages and cases?
- Can you work all the towns in your territory as often as in your opinion they should be worked?
- If you have too large a territory, please give us suggestions for changes.

As an incentive to field representatives and as an aid in getting at the conditions and problems facing the salesmen, this manufacturer offered an attractive bonus to the representative who made the best recommendations for the increase of sales and the general bettering of the market for a

particular product (the product that the company especially desired to be pushed or featured in a given territory.)

**LIST OF QUESTIONS REQUIRED TO BE ANSWERED BY AN INVESTIGATOR
WHEN SENT TO A GIVEN TERRITORY TO GET INFORMATION ON LOCAL
MARKET CONDITIONS OF PRODUCTS THE SALES OF WHICH WERE
NOT INCREASING AT A SATISFACTORY RATE:**

- Name of firm and address.
 What brands of sell?
 Why?
 Do you make comparative tests?
 Yearly sales?
 Who sells most in town?
 Brand?
 Percentage to painters?
 Percentage to house-owners?
 What percentage ask for by name?
 What do you sell them?
 Do large painters who use buy direct?
 Do you sell the large painters who use ?
 Is high-grade sold in small cans?
 Is there much demand for high-class in cities such as this?
 Is the demand increasing?
 Why is so popular?
 Price?
 Discount?
 Service?
 From whom do you buy?
 Is price of your competitors' material right?
 What does trade say about it?
 Were you in our position, what would you do to get
 business?
 How would you advertise our goods?
 To what class would you make strongest appeal?
 Architects? Merchants? Painters? Home owners?
 What percentage of specified?
 Brands?
 What is feature most demanded working or durability?
 Does painter follow specifications?
 Why have you never sold or used ?
 What kind of proposition would appeal to you?
 If jobbers, exclusive territory?
 On your total business, what per cent ask for first-grade,
 second-grade and third-grade?
 Does agent carry full line of our products?
 Does he carry products of other manufacturers?

Give list of such products.

Why does he claim it necessary to stock them?

What new lines were added this trip?

What plan is being worked to get him to carry our full line of ,
if not already carried?

Does agent believe in window-displays?

Does agent use decorative art?

Does agent use sales promotion department?

Does agent use retailer's service department?

What does agent think of our advertisements?

What kind of advertisements most impress him?

Population of town?

On what is town dependent for prosperity?

Trade and agricultural conditions?

What immediate territory does this town draw trade from?

Have we agencies in neighboring towns?

Enumerate.

Class of houses in town?

Are houses well painted?

Are there any public institutions, schools or colleges located here?

From what point does agent purchase most of his merchandise?

What lines of national distribution does he carry?

(Information concerning Representative)

Is representative well acquainted with conditions in town?

Has he been doing detail work for the agent?

In working this town with representative, in your opinion is he the right
man to make a success of our business in this community?

Present Research Methods of Large Paint Manufacturer.

An executive of the paint company here referred to gives the following description of the methods now followed:

Analysis of Decreasing Sales.—In the past five years, this Company has never called upon its dealers for information regarding local conditions. In the first place, if this information were not secured county by county from the most reliable sources, it would be of little value in analyzing local conditions for a given area. We are far more inclined to use data which we have every reason to believe is as accurate as can be secured, such as State Agricultural Reports, American Steel and Wire Company's Crop Reports, Chamber of Commerce of the United States Market Conditions Analysis, Federal Reserve Bank Bulletins on Bank Clearings, the experience of hardware jobbers operating in the field under observation, and finally, the personal observation of our representatives

whose territories are so small that they are intimately acquainted with the conditions in their territories.

For example, during the past two years, our sales of a certain color of barn paint have fallen off. We knew that this color was popular only in the Middle West, as our classified sales report as well as our stock-keeping records showed that 90 per cent of our distribution of this color was in a limited area. The various reports for that area indicated that the farmers had poor crops one year and a poor price for their crops the second year, and that the merchants were carrying a terrific credit load. It was not difficult, then, to determine why the sales of this particular product had dropped.

Yearly Survey of Field of Operations.—Some years ago, we used to supply suggestion blanks once a year to our representatives calling for criticisms and suggestions. How long this plan had been in operation, I don't believe any one in this Company could state. It is my impression that it is something that was handed down in the early days of the business when it had a very definite advantage. The Company's list of products is now so extensive that the policy is to increase the sales of those products which we are now manufacturing rather than "wild catting," so to speak. Naturally, we always have our eyes open for the addition of new colors and lines, where real opportunities lie for advancing sales. Our sales organization is now so departmentalized, with an executive in charge of each division of the sales department, and who has his finger on the pulse of the particular market in which he is exclusively interested, that the old suggestion blank can no longer be advantageously employed.

Investigating Local Market Conditions on Products the Sales of Which Are Not Increasing Satisfactorily.—There are three factors which have a bearing on the situation. The first is relativity of price; second, are the colors right; third, quality. We keep ourselves posted at all times as nearly as is possible on the prevailing prices of similar competitive products, while the quarterly tests of our products against those of competitors, made by our extensive research laboratories, insures the maintenance of highest quality. Colors likewise are examined. If local conditions are right for the sale of a given product, we know that the fault lies with the sales effort, the adjustment of which is strictly an executive sales department problem.

Gathering Information from District Sales Managers.—Only where the per capita sale of a town is below what it should be does this Company call upon the district sales manager for a special analysis of local conditions, because our records are so arranged that we can analyze an agency account most carefully both as to the lines of paints and varnishes that he is carrying and also as to the amount of effort he is putting forth to secure the paint business in his town, as evinced by the extent to which he is availing himself of the help of our business-building services.

Comments on the Paint Company's Present Methods.—Although it is not specifically stated, it is likely that the paint company found that its early methods called for an enormous amount of clerical labor, as well as a great deal of labor by the field representatives and dealers. It likewise undoubtedly found it difficult to get many of the reports thoroughly made out, thus preventing the manufacturer from making up complete summaries. The fact that a certain effort means a great deal of trouble is not good argument against it, but there is no doubt that the modern tendency is to confine reports, questionnaires, etc. to the points on which new information is needed. It is very impressive, sometimes, to show extensive questionnaires, thus indicating to a committee or to a board of directors that something very thorough indeed is to be undertaken.

After a few experiences with extensive lists of questions, an organization is likely to reform its method and to use the plan of not seeking information of any kind but that of the most vital nature which will really be used in connection with working plans.

One of the largest American automobile concerns recently had tons of statistical cards, reports, etc. thrown away, though the information had cost tens of thousands of dollars to gather. This concern's indictment of the material was "Very interesting, but didn't help either to make cars or to sell them."

This experience should contain a note of warning to any one about to plan research work.

OTHER EXAMPLES OF RESEARCH METHODS

What Concentrated Studies May Reveal.—A mass of general statistics about incomes, property owned, and so on, is available to the business man, but not a great deal is known about buying habits and motives. Consequently, the firm that has a portable typewriter, a new kind of tooth-brush, a soap powder or any other of a hundred specialties to market may find it will worth while to spend a reasonable amount of time and money to learn why people buy or do not buy such products.

A publisher of a magazine that sold for 35 cents a copy decided that his circulation could be largely increased by reducing the price to 25 cents. The price was changed without making any effort to determine the effect of the decrease. The publisher was not long in discovering that the type of reader that bought his magazine would pay 35 cents as readily as 25 cents. The extra 10 cents meant a great deal to this publisher and the original price was soon restored.

On the other hand, a study of an article selling at 25 cents to a larger group of buyers showed conclusively that an increase of 5 cents would materially increase sales-resistance, and the 25-cent price was retained.

James H. Collins sets forth interestingly in the *Saturday Evening Post* for April 7, 1923, some of the results of surveys indicating that the sale of cosmetics is largely to unmarried women and that a cloak-and-suit manufacturer acted wisely in centering his attention on garments for the so-called "stylish stout" woman rather than on the type that could wear the "perfect thirty-six."

Surveys have shown that goods do not sell because retailers or their helpers have some prejudice or well founded objection against them. They have shown that manufacturers have erred by placing their goods in the wrong type of stores, in the wrong kind of container, or have sent goods out without the type of fixture or display that was essential to successful retailing.

Surveys have shown that some manufacturers have proceeded on an erroneous notion in not advertising prices of their commodities, thereby leading the consumer to conclude that the price was much higher than it actually was. They have shown that some feature which the manufacturer fondly thought was a leading point was not valued by the consumer, that the more important point was neglected in the advertising and displays.

Surveys have indicated to manufacturers that their appeals were scheduled unfortunately as to season in many parts of the country; that they were giving entirely too much attention to one class of prospective buyer and failing to give attention to another group of large potentiality; that failure to give

service after the sale had been made was interfering seriously with ultimate success.

The interesting character of survey work leads many into such undertakings who seek merely the dramatic or who begin their research with a solution of the problem already in their minds and, consciously or unconsciously, look merely for facts to prove the correctness of their opinions. The manufacturer and merchant do well to be on their guard against this kind of imposition. They have nothing to gain by seeking facts and views merely because they are interesting. It is only good business to confine a survey to a specific purpose.

Advertising Agency Methods of Research.—The methods used by the leading advertising agencies afford good illustrations of other research methods, because these organizations are called on to map out promotional campaigns for new products, or for old products selling in fields in which there is considerable competition.

While there is considerable diversity of methods, according to the nature of the business and its extent, advertising agencies use two principal methods:

1. Mail inquiries
2. Surveys, conducted either by their own investigators or by outside organizations engaged for this special work.

An advertising-agency survey may cover one or all of the following groups:

1. Manufacturers
2. Distributors or Salesmen
3. Consumers
4. Technical or Professional Groups that influence sales
5. Statistical or Editorial Sources.

In making a survey of the manufacturer, the investigator may deal not only with those who produce the finished article but with those who produce the raw materials that make up the finished article. For example, in studying tobacco products, it may not suffice merely to gather facts from the manufacturer's establishment. It may be even more impor-

tant to study tobacco among the growers, so as to follow it through from the first stages to the warehouse stage.

Competitors, their products and methods, may call, also, for close study. In many cases it is desirable to talk with users of goods and to purchase specimens of the products themselves for analysis.

A study of the manufacturing end may call for close contact with the heads of all principal departments, and certainly with those who have most to do with giving the service or commodity distinctive features and those who have a part in the advertising and selling practice. This may mean drawing information from one or two men, or it may mean dealing with five or six.

Information from Distributors, Consumers and Others.—Research work among distributors may call for very different methods, because the viewpoint of the wholesaler or the jobber and that of the retail dealer, and, finally, that of the retail sales clerk, are quite different. It often happens that the branch office or the sales agent, or the house-to-house canvasser is also a proper subject from whom to draw valuable information.

The study of consumers may be simple if only one distinctive group of people buy the article, or it may be very complex. Such an apparently simple commodity as phonograph records appeals to different groups; high-class operatic records to lovers of fine music, dance records to the younger people, old-time songs to the older folks, foreign records to the many different foreign groups, and so on.

Studies of these groups may sometimes be conducted profitably in retail stores, where the investigator can watch the selling and the buying. Again, it may mean house-to-house investigating.

Groups that influence sales, though not being the final consumer, make up a long list. School superintendents and teachers, for example, may play a large part in the success or failure of a campaign to market a young people's library. Favorable views of dentists may make a new dentifrice successful, or largely increase the sales of established dentifrices. What the architect has to say plays a large part in the decision

about the type of roofing, plumbing supplies, heating systems and the dozens of other kinds of home equipment.

Finally, the advertising agencies make free use of all the sources of information described in this section. Many of them maintain extensive libraries and files of clipped articles giving valuable data of great variety. Some of the larger agencies employ trained librarians, who can, on short notice, make up a

Here is a chart of questions that is the result of our thirty years of study in the uses of advertising.

It is not easy to get the true answers to these apparently simple questions.

The second and fourth questions cannot be treated casually and a correct answer obtained.

People buy things for reasons of their own, which are usually different from the reasons you have for selling.

For instance, folks do not buy a mechanical thing because it is rigidly and repeatedly inspected. They buy it because it works.

If you think the right answers are easy to obtain, let five people in your business attempt separately to fill out this chart and then compare their replies.

1. Who buys it?
2. Why does he buy it?
3. Who should buy it?
4. Why should he buy it?
5. Where does he live?
6. When does he buy it?
7. How does he buy it?
(or How is it sold?)

Goods as They Seem to¹

- (a) Manufacturer
- (b) Manufacturer's salesmen
- (c) Wholesaler
- (d) Wholesaler's salesmen
- (e) Retailer
- (f) Retailer's Salesmen
- (g) Consumer (or user)
- (h) Competition.

¹ That is, all the factors through whose hands goods pass, from manufacturer to ultimate user.

EXHIBIT 36.—A concise statement by the George Batten Company (New York) of its method of arriving at the proper selling plan and appeal.

list of most of the articles or reviews that have been published on a given topic, either by state or Federal departments, by publishers, commercial agencies, trade organizations, etc.

Exhibit 36 is an easily grasped summary of the George Batten Company's way of assembling facts and arriving at the proper sales plan and appeal. This company is a representative large advertising agency.

Composite Outline of Research Work.—The following outline of research work may be said to be a fair composite of the announced methods of half a dozen advertising agencies. Such organizations do not differ materially, in these modern days, from sales engineers, sales-promotion departments or sales-management departments, in methods of gathering material and analyzing it. While it is true that advertising agencies are inclined to devote themselves only to those projects that eventually call for advertising, the accepted view of modern advertising agents is that advertising is merely one branch of selling effort, that all promotion work must be coordinated in order to insure successful advertising. Therefore, such an outline as the following may be followed safely, no matter what kind of organization may employ it:

General Facts About Business:

1. Men at head of enterprise.
2. Financial standing.
3. Age and general history.
4. Sales record by years.
5. Variety of products produced.
6. Location of factories and selling agencies.

Product:

1. Raw materials and their features.
2. Conditions concerning raw material—quantity, price-fluctuation, shipping facilities, etc.
3. Special processes used in manufacturing.
4. If different products are produced, comparison of profitableness of the various models or the different classes of goods.
5. Influence of greater production on costs and profits.
6. Strong and weak points of products.
7. Comparison of sales of different products.
8. Trade-mark and patent protection on products.

9. Character of package from an advertising point of view and marketing facility.
10. Influence of season on production and selling of products.

Distribution and Marketing Conditions:

1. Character of present distribution.
 - (a) Branch offices or sales agencies.
 - (b) Jobbers or wholesalers.
 - (c) The retail merchants.
 - (d) Direct or mail-order selling.
2. Sales in relation to population shown by cities, counties and states, or general conditions of the country.
3. Average purchase or annual consumption.
4. Tendency with respect to repeat sales.
5. Effect on sales of national, state or city regulations.
6. Limitation of market by transportation or natural conditions.
7. Effect of styles or other modern tendencies with respect to increase or decrease of sales.
8. Number of dealers and the relation of this number to complete or perfect distribution, location of warehouses or jobbing and wholesale points.
9. Present methods of gaining new distribution.

Other Merchandising Considerations:

1. Branch office, broker or sales agency plan of control.
2. Jobbers' or wholesalers' profit.
3. Retailers' profit.
4. Comparison of foregoing with competitors' plans.
5. Retail prices, fixed or fluctuating.
 - (a) Method of control, if any.
6. Comparison of retailers' profit with profit on similar goods.
7. Rate of turnover with jobbers and retailers.
8. General attitude of trade toward product and corporation.
9. Attention given special brands or labels as compared with company's own brand.

Competition:

1. Number of competitors.
 - (a) Which are important?
 - (b) Which comparatively unimportant?
2. Competitive sales, if obtainable, in detail as to different territories.
3. Features of competitive plans.
4. Exhibit of competitive advertising.
5. Extent of competitive advertising in local field, window-displays, sampling, etc.

6. Percentages spent by competitors, and sales and advertising costs, if obtainable.
7. Character of competitive sales organizations.
8. Strength and weaknesses of competitive products, as to product itself, method of manufacturing, package, trade relations, and so on.
9. Natural advantages enjoyed by competitors as to location, supply of raw material, age.

Sales Department:

1. Method of determining and carrying out sales policies.
2. Program of sales or marketing committee.
3. Experience and ability of sales manager and his assistants.
4. Schedule or layout of sales effort, showing which men, if any, devote their efforts particularly to the wholesale trade, manufacturing trade, foreign trade, city trade, country trade, etc.
5. General organization of the sales department.
6. Method of employing and training salesmen.
7. Method of assigning territory and determining quota.
8. Plan of compensation—how used to secure concentration of effort.
9. Routing methods.
10. Salesmen's report system.
11. Standards of measuring value of salesmen.
12. Sales contest.
13. Sales conventions.
14. Salesmen's cooperative work with retail trade and how to promote it.
15. Contests conducted among jobber-salesmen, or other efforts made to secure interest and cooperation.
16. Are any kinds of sales, advertising, or window-trimming contests conducted among retailers?
17. Methods of supervising house-to-house salesmen or samplers, if these plans are used.
18. Attitude of salesmen toward trade or advertising of product.
19. Comparative record of sales costs through a period of years.
20. Terms of sale; credit; lost accounts.
21. History of approval or assignment selling, if any.

Consumer Study:

1. Class of people sold to; their location, living, buying and reading habits.
2. Prospective purchasers and their attitude toward article.
3. Questionnaires or research work among consumers; review of past efforts, with plan of new studies or researches.
4. How product is regarded by consumers and prospective consumers —as a luxury or necessity

5. Increase of sales through consumer influence and recommendation.
6. How far consumer habits must be overcome in order to make sale.
7. Appeal of article to consumer—whether price, convenience, health, appearance, exclusiveness, or some other point should be exploited.

Advertising Considerations:

1. Work to be done.
2. Appropriation to be required.
3. Study of article itself, as to name to be used, ease with which it can be pronounced, remembered and protected.
4. Study of package as to possible change in style, size or price unit.
5. Advertising media to be used.
 - (a) Amount of space.
 - (b) Question of color.
 - (c) Time for using.
 - (d) Provision as to national or local or trade appeal.
6. Influence of the advertising plan on jobbers, wholesalers, retailers, traveling salesmen, retail store salesmen, house-to-house canvassers, consumers and competitors.
7. Presentation of advertising plan to the manufacturer and all branches of the trade designed to help.
8. Tying up the advertising plan with the general sales effort.
9. The advertising copy.
 - (a) Its style.
 - (b) Its length.
 - (c) Its illustration.
 - (d) Its typography.
10. Informative literature to consumers and trade; character and quantity.
11. Correspondence from home office, branch offices and retail dealers; how organized so as to tie up with sales and advertising effort.
12. Consideration of special effort, such as house organ work, use of motion pictures, demonstrations and lectures; preparation of articles affording general publicity; dealer signs, novelties, etc.
13. System for testing and recording effects of advertising
14. Salesmen's portfolios or specimens of advertising.
15. Monthly report system designed as a means of obtaining facts that may be used in controlling and changing sales and advertising plans.
16. Names of men directly concerned in advertising and sales work.
17. Names of executives whose approval is necessary on sales work; advertising work; technical matters; financial matters.
18. Conferences on advertising and sales matters; participants in; where to be held, and when to be held.
19. Instructions as to communication with company.
20. Organization of advertising department.

Such an outline as the foregoing might be extended, under subdivision, to several times the space already covered. This outline will, however, serve to indicate the extent to which the modern advertising agency may go in investigating conditions or in establishing or assisting in establishing methods deemed necessary to the success of a promotional enterprise.

As might be expected, such an outline does not fit the conditions that obtain where an organization sells its product entirely through its own sales representatives, or where sales are made entirely through the mails direct to the consumer, or through the medium of jobbers.

Each marketing problem is a problem in itself and is studied from that point of view. It does not follow, however, that because a certain sales plan is being followed it is the correct one. A study of entirely different methods followed by competitors may reveal the necessity for radical changes.

For example, concerns that have for years sold entirely by means of direct methods or through their own salesmen have sometimes been shown the advisability of selling through the trade.

Taylor Society Review of Research Work.—An outline presented before the Taylor Society in October, 1921, gives a somewhat different view of research activities from that indicated by the foregoing description of advertising agency work. The Taylor Society outline, reproduced here by permission of the Taylor Society, deals with field research as an activity of a sales engineering department. Such a procedure could, of course, be followed by any sales manager, advertising manager, or other executive on whose shoulders the responsibility for a broad research might be placed.

Field Research Activities.—How some of the functions of a Sales Engineering Department comprise a study of:

1. Products:

- To be added
- To be eliminated
- Changes
- Standardization
- Present uses
- New uses
- Seasonal factors

- Trade reactions
- Competitive products.
- 2. Marketing Policies and Methods:
 - Present trade channels
 - Potential trade channels
 - Trade customs
 - Trade reactions
 - Competitors' activities
 - Standardization
 - Containers and packing
 - Quotas and statistics
 - Prices and margins
 - Present markets and volumes
 - Potential markets and volumes
 - Assistance to customers.
 - Salesmen's training.
 - Warehouse and branch locations
 - Trade organizations.
- 3. General Research:
 - Administrative and management problems
 - Research for all operating departments
 - Technical activities.

The sales-engineering department commands and contributes to all the resources of the business organization. Within its province are study and recommendation about.

PRODUCTS:

- Types and sizes
- Selection
- Standardization
- Approval.

Materials:

- Suggestion
- Approval.

Finishes:

- Suggestion
- Standardization
- Approval.

Markings:

- Selection
- Standardization
- Approval.

Packing:

Wrapping

Put-ups

Containers.

Suggestion

Standardization

Approval.

MARKETS OR SALES FIELDS:

Report changes

Discover new markets

Suggest new policies or methods.

COMPETITORS' ACTIVITIES:

Watch and report

Suggest methods of combating.

TRADE ORGANIZATIONS:

Report activities

Report probable effect on sales policies

Determine possibilities of cooperation.

LEGISLATION:

Watch and report

Suggest necessary action.

MERCHANDISE STOCKS:

Regularly check and report

Suggest necessary actions.

PATENTS AND COPYRIGHTS:

Watch and report

Suggest necessary action.

STATISTICS:

Suggest necessary compilations

Analyze and report changes or trends

Interpret and suggest necessary action.

COMPLAINTS:

Analyze

Compile records

Suggest necessary action.

MASTER PLANNING AND SCHEDULING:

In making a market plan to relieve administrative and managerial executives of different problems, it is necessary to be months ahead of production and operation sections of the business. Some of the steps in a suggested master plan and schedule may be as follows:

ADVERTISING :

Furnish data on :

- New products
- Product changes
- New uses
- New markets
- Trade reactions
- Competitors' activities
- Prices
- Trade customs
- Seasonal factors
- Territorial factors.

SELLING :

Prices and margins

Salesmen's compensation

Investigation of methods in practice.

Suggestions for alternative methods.

Selling equipment:

Salesmen's

Design of selection.

Dealers:

Suggestion

Design.

Seasonal factors.

Territorial factors:

Determine limits and causes therefor

Suggest methods of overcoming.

Trade resistance :

Determine causes

Suggest methods of overcoming.

Economic Factors or Trends:

Ascertain

Report probable influence

Suggest methods of overcoming.

SALES SERVICE :

Ascertain deficiencies

Suggest remedies

Suggest other service activities.

NEW PRODUCTS:

- Plan
 - Types
 - Sizes
 - Materials
 - Finishes
 - Markings
 - Packings.

NEW AND OLD PRODUCTS:

- Plan and schedule initial requirements.
- Plan and schedule yearly and monthly requirements.
- Plan and schedule general marketing policies and methods.
- Plan and schedule sales-service activities.
- Plan and schedule general advertising policy.
- State seasonal and territorial limitations.
- Plan and schedule general activities of each division affected by project to establish order of work and definite responsibilities.
- Plan and schedule warehouse distribution.
- Plan dealer's selling equipment.
- Plan salesmen's selling equipment.

An Investigation on Pancake Flour.—The questionnaire following illustrates the extent of an investigation conducted on pancake flour to learn the buying habits of families. Field investigators were used in getting this information. These investigators interviewed 489 housewives in nine different communities. These communities were chosen so that the summary prepared from the questionnaire would be fairly representative of the entire territory in which the manufacturer was interested.

This exhibit affords an example of concentration on a few points. It would be difficult, in a house-to-house canvass, to secure thoughtful answers to a long list of questions. Sometimes the giving of a reward helps.

**CONSUMER QUESTIONNAIRE ON X PANCAKE
FLOUR**

1. Does your family like pancakes?
2. How many times a week do you have them? In winter? In summer?
3. (a) Do you buy ready-mixed pancake flour rather than mix your own?

- (b) Reasons?
- (c) What brand of ready-mixed flour do you use?
- (d) Reasons?
- 4. (a) Have you ever used X..... flour?
- (b) Have you ever heard of X..... flour?
- 5. Would you be interested in buying a 4-pound package?

Investigation to Learn Reasons for Buying.—"Why do people buy certain goods?" asks the *Retail Ledger* and the following interesting information is given:

This was the question which a concern in Chicago asked itself, and which it then set out to answer authoritatively. A house-to-house canvass was made in a representative section of the city and the heads of 30,000 families were asked: "Why do you buy what you buy?"

The replies, when tabulated, were most enlightening:

- 55 per cent bought on the advice of retailers.
- 36 per cent bought as a result of advertising.
- 5 per cent bought as the result of advice of friends.
- 4 per cent bought from mixed motives.

The dealer, plus advertising—both from the manufacturer and the retailer—therefore accounted for 91 per cent of the entire volume of purchases. The dealer alone was responsible for more than one-half of the entire business done by these 30,000 families.

Surely no more convincing proof of the assertion that it pays to cultivate the customer, to gain his confidence and influence his selections, has been made for some time; for the large number of families interviewed and the fact that human nature varies but little preclude the possibility of error in making deductions from this investigation.

A Poll of Students of Home-study Courses.—In order to determine just what motives, impulses or purposes enter most prominently into the minds of young men when they take up courses of spare-hour study, the United Y. M. C. A. Schools addressed the following letter to 500 students:

Dear Student:

Will you do us a personal favor?

We want to put our message effectively before thousands of other men. In order to do this, it is necessary for us to know the thoughts or motives that play the largest part in one's decision to take up a spare-hour course of study.

Will you please reflect over your plans or reasoning at the time you were thinking of enrolling, and write in the blank below as accurately as you can, the thoughts, ambitions, visions or motives that were in your mind at that time?

The franker you are, the better we will like it. We are not trying to prove anything. But we are asking 500 of our active students to answer this question, and we assure you we shall be grateful for your careful attention to our request.

There's a return envelope enclosed, already stamped for your convenience.

Thank you!

Sincerely yours,

O. S. CLARKE
 Extension Division,
 United Y. M. C. A. Schools

OSC/AA

Tear off here and mail in the enclosed envelope.

The uppermost thought in my mind when I was thinking of taking up a course of spare-time study was.....

Other thoughts that came to me at the time were.....

From the list of 500 students 249 replies were received. The complete summary of the answers would require too much space, but the following classifications show the most important findings.

No. OF TIMES MENTIONED

Better position, more pay, or to increase earning capacity.....	64
To gain more technical or theoretical knowledge, or to increase efficiency in work in which he is already engaged, or a better position along the same lines.....	34
More congenial work or to achieve ambition.....	27
More knowledge or a better education.....	24
To have a trade, profession, or to specialize, or to know one thing thoroughly.....	23
To make good use of spare time.....	23
"More profitable than loafing."	
"Less expensive than pursuit of so-called amusements."	
To be ready for opportunity when it comes.....	23
To stand for more among fellowmen, or more responsibility, to be a leader in his line of work, to be a "more important person," to be "as good as the boss, or probably better".....	22
Y. M. C. A. Schools' Course superior to others in his line of work, or best all round, or most for least money, or a good investment.	

"Y" work in France a good reference. "It is not a stock- holding, money-making proposition."	15
Intellectual advancement, or to keep mind actively engaged, or to develop mind	14
To improve English, grammar, composition, or to increase vocabulary.	14
Better present and future of family	13
To get out or keep out of rut or routine	13
To be better prepared for work in future. (Too general to be placed under any other classification)	12
To get "higher in life," to get out of the laboring class, to get higher socially	10
To get business training necessary in every vocation, or business law not taught in schools or colleges, or to learn methods of "big business"	10
To improve his living conditions, or to have a better home, or a modern home, or his own home	9
To assure his future, or provide money or an easy job for old age, or to "prevent regrets in old age"	9
To have another field in which to seek employment in case present one fails, or to avoid future unemployment	8
It is "good to have more than one trade."	
To keep up to date	8
To finish what he would have had if he had been able or had wanted to finish grade or preparatory school, or to make up for lost opportunity	8
To make himself worth more to family and country, to be an asset to the community	7
To be eventually independent of any one employer, to "command rather than obey," "to be my own boss"	7
Planning or hoping to own a business	7
Regards the ambition to take up spare-time study and stick to it as a test of future success	6

While the various groups could have been reduced to fewer classifications, the sales department of the United Y. M. C. A. Schools preferred to let the summary reflect the exact thoughts that were in the minds of the students. It is obvious, of course, that many of the motives or purposes overlapped others. The man who wanted more technical knowledge of the business in which he was engaged was undoubtedly in most instances concerned, also, about earning more money in that business and having a position of larger responsibility.

Such a summary as the foregoing could be more easily compiled if the writer of the letter had listed a dozen of the most

common motives and purposes and asked the students to merely check those that fitted their cases. But the weakness of this method would be that such suggestions would tempt the students to say what they thought the Schools wanted them to say, or to adopt the lazy method of saying what other students would probably say rather than to search their own minds and honestly endeavor to reflect their own thinking at the time of beginning the use of spare hours for studying.

The Double Postal Card Poll.—An easy and often effective way of getting a vote is to use a government double postal card. Exhibits 37-*a* and -*b* show the printed matter appearing on such a double postal card form.

Dear Mr. Sales Manager:

Getting good recruits for your sales force is probably as big a problem with you as it is with us.

So far, our experience shows a real gain by getting college graduates of engineering training and giving them sixty days of intensive coaching.

Won't you be so kind as to swap experiences? Just check on the reply part of this card the methods that you have found most effective, putting down your best method as No. 1, the next best method as No. 2, etc.

I'll be glad to send you a copy of the summary.

Appreciatively yours,

Ernest Atkinson, Sales Manager,
International Food Co.

EXHIBIT 37-*a*.

Our experience in getting good men for our sales force is the following.

1. Best method.....
2.
- 3.....
- 4.....

Remarks:.....
.....
.....

Firm.....
Person answering.....

EXHIBIT 37-*b*.

Inquiry Form on Sales Practice.—Exhibit 38 is an analysis form used by Rand McNally & Company in getting information on which to base the recommendations of the company for improvements in the methods of distribution, selling, shipping, handling of credits, and so on.

This form of analysis affords, incidentally, a good review of many sales problems.

Territorial Analysis Form.—In order to have in the home office files a concise picture of the various units of its territory, the Corona Typewriter Company uses the form illustrated by Exhibit 39. The information afforded by such a review aids in establishing quotas.

Confidential Analysis Blank

Improvements in your present methods of distribution, selling, shipping, handling credits, and collections and so on, through the installation of the Rand McNally Map-Tack System, can be outlined after an analysis and study of your present methods. Answers to the following questions will form a basis for the necessary analysis.

It is agreed that the entire list of questions and answers will be treated in confidence

This blank can be used in your typewriter

Name of institution.....
 Street address.....
 City and state.....
 Nature of business.....
 Kind of product or general classification of products.....

Market—

1. What sort of people use your product; that is, of what sort are the ultimate consumers?.....

2. How extensive is your selling field? Do you seek foreign business; confine your efforts to this country or a comparatively small territory, say a group of states?.....

EXHIBIT 38.—A questionnaire form that affords a good review of a firm's sales methods.

3. Do you attempt to cultivate business in all towns and villages, or is your business such that you are interested in towns of a certain class or size? Please explain.....

Plan of Selling—

4. Do you sell direct to consumers or reach them through distributors, dealers, or how?.....

5. What kind of distributors or dealers are you interested in, if any? In other words, what is their line of business?.....

6. Is your policy one of granting exclusive selling rights in a city, town, county, or territory? Explain, please.....

7. Is all business secured directly by your home office, or have you branch offices which are responsible for their respective territories?.....

Territories—

8. Is your selling field divided into territories? (yes or no).....

9. Are territories assigned to branch offices? If not, to whom are they assigned?.....

10. Are branch-office territories subdivided?.....

11. To whom are these sub-territories assigned?.....

12. Are the boundaries of your territory clearly defined?.....

13. On what basis are your territorial lines established? Along state or county lines? On transportation, population, or some other tangible basis? Please explain.....

Traveling Men—

14. How many traveling men have you?.....

15. Are your traveling men paid a salary or commission, or both?....

16. Is each salesman assigned a territory?.....

17. Are the movements of your salesmen controlled by the home office or a branch office?
18. Do you employ special representatives such as organizers, demonstrators, etc., in addition to your regular salesmen?
19. Is it necessary for you to know where each salesman is, so that he may be reached in an emergency?
20. Do you expect a salesman to cover his territory at regular intervals, say once a month or once a year?
21. If so, how often?
22. Do you route your salesmen or is routing left to them?
23. Does the territory of one salesman overlap the territory of another?
24. Are your salesmen required to make formal reports?
25. How often are these reports mailed in by the salesmen?

Advertising—

26. How do you advertise—in national publications, trade papers, local newspapers, by direct mail campaigns, on billboards, street-cars, by window-display, or how? In brief, what do you do to interest people in your product?
27. Is your advertising of such a nature that it can be keyed and checked for results obtained? For example, if you receive an inquiry in response to some advertising, can you tell what advertisement prompted the inquiry?
28. Are your advertising campaigns directed to coordinate with the movements of your salesmen?

Inquiries—

29. Do you refer inquiries to salesmen, or others representing you?
30. Do you require a report on an inquiry thus referred?
31. Is it customary for you to refer a prospect to a satisfied user of your product?

Records—

32. Do you employ a card system in your sales department?.....

33. Have you special card-forms for customers?.....

Prospects?.....

34. Have you ever used a system of map and tacks?.....

35. Are you using one now?.....

36. If so, in what way does it help you?.....

Please attach any special forms, cards, sales reports, etc., that you use.

.....
Name of individual answering

.....
Position

EXHIBIT 38.—Concluded

Territorial Analysis

CORONA TYPEWRITER CO., INC.

COUNTY	
Population	.....
Sales Population	.....
S. E. P. Circulation	.....
No. of Families	.....
Urban Population, Per Cent	.....
Suburban Population, Per Cent	.....
Factory Wage Earners, Per Cent	.....
Per cent of Foreign Born	.....
No. Manufacturing Establishments	.....
Wages Paid	.....
Per Capita Wages	.....
Principal Manufactured Products	.....
Value Farm Property	.....
Number of Farms	.....
Average Value of Farms	.....
Principal Crops	.....
Value Farm Products	.....
Per Capita Buying Power	.....
No. Income Tax Returns	.....
Average Income Tax Paid	.....
Total Retail Establishments	.....
No. Drug Stores	.....
No. Hardware Stores	.....
No. Grocery Stores	.....
Remarks:	

EXHIBIT 39.—Territorial analysis form used by Corona Typewriter Company. This manufacturer supplies the information that, though the system indicated by the form has been in use only a short time, its use is enabling the company to form very interesting conclusions and to establish logical and reasonable territorial quotas.

METHODS OF SHOWING RESEARCH DATA

The presentation of material gained through research is in itself a fine art. Such data may be presented in the form of:

1. A letter of findings and recommendations.
2. A report, bound in manuscript form, containing tables, charts, abstracts, maps, drawings, photographs, estimates, items from interviews, printed clippings, etc. well arranged with headings and index.
3. Large charts, to be drawn on blackboards or lettered on bulletins to be arranged on the walls of a room.
4. A loose-leaf or bound volume, setting forth the same kind of data as listed under 2, but in a more permanently bound form.
5. The lecture method, or personal salesmanship method, which may also utilize the methods indicated by 1, 2 or 3.
6. The instalment method, by which various sections of an interesting report may be prepared in readable form and sent out at intervals to the members of a board of directors, a buying committee or a list of stockholders or investors.
7. Other methods, such as slides, moving-picture films, etc., which may present photographs, machinery operations and even important tables in a more entertaining form than is possible in a printed or typewritten document.

MISCELLANEOUS SUGGESTIONS ON THE PREPARATION AND PRESENTATION OF REPORTS

An executive who is concerned with the solution of a particular problem, as, for example, why a certain model or product is not selling well in one section of the country although enjoying a fair sale generally, will not care to wade through a mass of material in order to get the investigator's findings, or solution.

Therefore, in preparing a report of this kind, the plan should be to deal with the principal issue, without much in the way of preliminaries. Supplemental information may be laid out so as to follow the principal issue or finding.

Usually a number of reports from state and Federal government, associations, bureaus, business magazines, and so on, that have a particular bearing on research, can be assembled. The chaff should be taken out of this material by careful boiling down, and the interesting exhibits laid out in an orderly way, with footnotes that bring out the principal points.

Sometimes it is well to have all such exhibits pasted on large sheets of uniform size.

The material may be assembled in a large, loose-leaf binder. Small bulletin boards or frames are sometimes used. Multiplex fixtures are easily obtainable that make it possible to show to advantage a number of exhibits in one frame that occupies little space.

Sometimes the exhibits are of such a nature that they cannot be put in frames, on bulletin boards or in binders, but can be displayed to better advantage in boxes or trays, this depending on the character of the product or the nature of the exhibit. If boxes or trays are used, these should have neat labels, so that each container will be self-explanatory as to its contents.

Evidence should be supplied to support mere opinions or views, especially where a view is likely to be questioned and made the subject of discussion. Such evidence often fulfills several purposes. It shows, first of all, an effort for thoroughness. Where some of the evidence bears principally against a view expressed, its introduction will show that the worker is trying to be fair, and is willing to submit adverse opinions and figures, as well as the favorable facts. Such evidence saves time. If there is discussion of a debatable question, evidence would very likely be sought, anyhow, and it is best to make it a part of the report.

Summaries of the findings or conclusions form an important part of a report. Whether the summary should be placed at the very outset of the document or at the end depends on the character of the report. The advantage of placing it in the forepart of the report is that executives may be shown at once what the findings or recommendations are. In following such a plan, naturally the pages following the summary would take up the points one by one, with detailed

facts, results of questionnaires, interviews, documents, pictures, and so on. In following this plan, it is well, after making each of the principal points in the summary, to refer to the pages that supply the facts in detail or information pertinent to the conclusion.

Naturally, every competent research worker will guard against presenting his conclusions in such a way as to lead an executive to believe that a conclusion was formed and an effort made to find only the facts or reasons that would support that conclusion. Unfortunately, too many reports have been made only for the purpose of proving something that either the research worker himself or some promoter had determined on beforehand.

An index or table of contents is often a useful feature of an extensive report.

Sales and advertising managers and advertising agencies, in an effort to make a report distinctive, occasionally prepare exhibits or reviews in impressive physical form, using either a large binder or large sheets of cover stock, which may be held together in some artistic way. Color and hand-lettering are also sometimes used.

The cover or binding of the report must be determined by the character of the undertaking. There is danger sometimes that a showy exhibit will have just a little too much of the stagy appearance. In general, a conference of seasoned business men will be more likely impressed by simple, dignified covers, indicating that the effort of the investigator was devoted more to thorough research and to an orderly presentation of his facts than to fancy lettering or leather thongs for the binding of the exhibits.

RECORDS AND REPORTS

The following, published by permission of Harrington Emerson, illustrates the efficiency engineer's view of the essentials of good records and reports. The material here presented is taken from instructions to the Emerson engineering staff:

REQUIREMENTS OF A RECORD AND THE DIFFERENCE BETWEEN A RECORD AND A REPORT

A Record is a statement of a Fact.

A Report is an expression of Opinion.

What records the past and present is a record.

What reports the future, expectations, standards, is a report.

We need both.

Records and reports have some, even many, qualities in common.

Records have many qualities reports cannot have, reports have some qualities records do not have.

The officers and associates of the Emerson Engineers need for their guidance both records and reports.

There are many qualities characterizing a good record. Below are enumerated 25. They are the most important:

1. It should be necessary.
2. It should be authorized.
3. It should be possible and reasonable.
4. It should be reliable and sufficiently accurate.
5. It should be based on or built up from fundamental units.
6. It should be ready promptly.
7. It should be available.
8. It should be adequate, giving essentials.
9. It should be simple.
10. It should be very clear and easy to understand.
11. It should be standardized in form and neatness.
12. It should be comparative.
13. It should be regularly issued at stated intervals.
14. It should be initiated at the moment the event is occurring.
15. It should be classified.
16. It should be summarized.
17. It should be in multiple.
18. It should be within the comprehension of the maker and of the user.
19. It should be inter-related to other records.
20. It should be signed or certified to by the maker.
21. It should be as cheap to make as requirements permit.
22. It should be easy to make.
23. It should usually be permanent.
24. It is desirable that it be automatic like the striking of a clock.
25. It should rarely be transcribed.

Records themselves are used for three separate and main purposes. Many records can serve only one purpose, often single records serve all three purposes.

The three main purposes are:

To guide and improve operation.

To register the approach to the attainment of or the surpassing of Standards.

To register costs.

The water glass or the steam gage on a boiler shows operation.

A man's standing compared to other men is an efficiency record.

The amount of money due to unpaid taxes is an accounting record.

The total cost per unit for materials, for personnel, for charges, is an operating, part of an efficiency and also a cost record.

The special ideals of Operating Records are immediacy and reliability.

The special ideals of Efficiency Records are comparison, therefore actuality, aims and attainment. The special ideals of Accounting Records appertain to and usually are:

Authority
Allotment
Accuracy

It does not matter much whether a steam gage registers a pound or even five pounds more or less pressure.

It does not matter much whether a bull's eye is one inch or two inches in diameter.

It matters a great deal whether one receives the exact change in making a purchase.

Classification of Findings or Recommendations.—C. C. Parlin, in charge of the Research Department of the Curtis Publishing Company, gives some interesting hints as to how market research data may be effectively presented:¹

Tendency toward concentration of industry.

Is the article one of utility, or style, or both?

Style may produce a monopoly or get an easy foothold.

Individuality.

How influences control industry.

Extent to which the tendency to concentrate is likely to proceed.

Utility:

Not easy to get foothold.

Monopoly not easy.

No individuality.

How influences control industry.

¹ Note.—The first part of this outline cannot be positively identified as Curtis Research Department material.

Extent to which the tendency to concentrate is likely to proceed.

Convenience goods or shopping lines.

Men buy:

The most convenient place.

By impulse.

In an accustomed place.

By brand.

Women's trade is:

Convenience goods.

Notions, cheap cottons, etc. In buying such goods, women buy for the same reasons as men.

Shopping lines:

Clocks, suits, draperies, carpets, etc. In buying such goods, women definitely compare values, where a man will not. Hence the trade in shopping lines is sharply concentrated in a comparatively small number of shopping centers and a few stores.

Scope of Market:

Residential cities have great buying powers per capita.

Industrial cities have less buying powers per capita.

Nationality tends to influence the amount bought, etc.

A capital city is subnormal.

If wealth is concentrated in a few the percentage of sales will be low.

If wealth is distributed among large numbers, the percentage of sales will be high.

Retail and jobbing figures are indicative of human wants and economic conditions.

Potential market different from existing market.

Sales that are seasonable.

Basic trade tendencies.

Maps in Research Reports.—Maps may form an important part of a report setting forth the results of research. Exhibit 40 is a shaded map conveying graphically information from U. S. census figures as to manufacturing production. The four different methods of treatment show the range from territory in which the manufacturing production is less than \$5 per square mile to the states in which the manufacturing production exceeds \$75 per square mile.

ASSEMBLING INFORMATION FROM QUESTIONNAIRES

Some summaries are reproduced to indicate how the information obtained from questionnaires may be classified in a simple but clear manner for presentation in reports, advertisements or sales talks. The material immediately following was obtained from farmers of the better class through a research conducted by *Wallace's Farmer* a well known farm magazine:

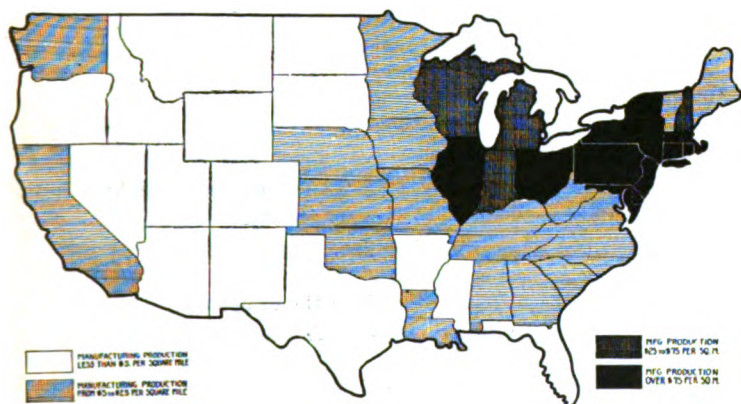
Geographical Concentration of Manufacturing Buying Power

EXHIBIT 40.—Effective method of shading a map so as to indicate the distribution of production according to basic value.

QUESTION: "Has your plant given you satisfaction?"

95 said that they had received satisfaction

1 said that he had not received satisfaction

This shows that electric lighting plants have proved 98.9 per cent satisfactory. The farmer who said he was not satisfied writes in answer to a letter from us asking why he was not satisfied, that his particular plant had not given satisfaction, but that he thoroughly believed in electric lighting plants and would not do without one.

Most of the farmers did not answer this questions with a mere "yes," but wanted to make their answers more emphatic. We believe you will be interested in the following answers to the question above: "Has your plant given you satisfaction?"

"Couldn't be any more satisfactory."

"Perfect."

"Decidedly yes."

"Entirely satisfactory."

"Absolutely."

"Extra good."

"You bet!"

"It has done splendidly."

"Yes, sir."

QUESTION: "Just what do you operate with your plant?"

53 said they operated washing machines.

40 said they operated flat irons.

23 said they operated cream separators.

21 said they operated pumps.

15 said they operated vacuum cleaners.

11 said they operated churns.

4 said they operated fanning mills.

4 said they operated grindstones.

1 said he operated milking machines.

1 said he operated sewing machines.

1 said he operated dish washer.

QUESTION: "What do you consider the greatest drawback to the development of power electric lines for farmers?"

25 mentioned expense of building line.

6 mentioned the cost of material.

4 mentioned lack of cooperation from the company.

2 mentioned uncertainty of coal supply.

2 mentioned shortage of labor.

2 mentioned too rigid contracts.

2 mentioned damage by storms.

QUESTION: "Why have you not already bought?"

222 said they were not financially able.

60 said they were renters.

36 said they were waiting for a high-tension line.

33 said they were going to remodel their homes first.

12 said they had just moved on the farm.

11 said they were not ready to buy.

9 said they were waiting to see which plant was best.

8 said they did not need a plant.

6 said they were located near a high-tension line.

4 said it took an expert to operate a plant.

4 said they were waiting to see how their neighbors were satisfied.

4 said it was not a paying investment.

2 said they were waiting to see what their neighbors would do.

2 said the plants did not last long enough.

1 said he thought the plants would be cheaper later on.

1 said he doubted their efficiency.

1 said small plants were not successful.

1 said the plants were too much trouble.

1 said the plants were a luxury.

Of the 222 who gave financial reasons for not buying a plant,

186 said they owned an automobile.

149 said they owned a gas engine.

32 said they owned a tractor.

15 said they owned a motor truck.

Exhibit 41 is an illustration of how information obtained from a questionnaire is sometimes more conveniently presented in tabular form than by trying to give the information in paragraphs of general description. Furthermore, a table of this kind is often more easily grasped than a general description would be.

QUESTIONS: "How long have you had your lighting plant? Estimate how much money actually spent for repairs. What is the cost per month of fuel and lubricating oil?"

The 96 answering these questions gave the following facts:

Number of years plant owned	Number of farmers	Average cost per plant for repairs for total number of years	Average cost per plant per year for repairs	Average cost per month per fuel and lubricating oil
Less than 1 year.....	30	\$ 0.025	.....	\$2.16
1 year.....	11	2.00	\$2.00	2.09
2 years.....	18	9.65	4.82	1.69
3 years.....	10	5.40	1.80	1.59
4 years.....	11	18.09	4.52	2.31
5 years.....	4	5.69	1.13	1.25
6 years.....	3	47.33	7.88	1.58
7 years.....	3	21.66	3.09	1.57
8 years.....	4	5.75	0.72	2.41
9 years.....	1	20.00	2.22	0.50
10 years and over.....	1	85.00	8.50	1.25

Taking one-half year as the average time the plants owned less than one year have been operated, we find that all the plants have been operated a total of 246 years and that the average expenditure for repairs is \$3.28 per plant per year.

EXHIBIT 41.—Tabular arrangement of facts gained from a questionnaire.

Questionnaire about Motor Trucks.—The following is an example of a successful questionnaire referred to by Ernest S. Bradford in the February, 1923, issue of *Administration*. This simple request, with the attached blank and stamped envelop, was sent to 500 firms engaged in undertakings likely to require the use of trucks:

New York City,
Dec. 31, 1922

Dear Sir:

In connection with a survey of motor trucks in manufacturing industries, we should appreciate your kindness in supplying the number and capacity of motor trucks used in your business, if you can do so without too much research on your part.

A summary of the figures obtained will be made up for concerns supplying data, and a copy sent you, if you so desire. A stamped envelop is enclosed for your convenience in replying.

Yours very truly,

JONES MCKAY COMPANY,
Research Bureau

Jones-McKay Company,
New York City

Number of motor trucks in use, December, 1922.....

Number of 1-ton capacity and less.....

Make of truck.....

1½ tons..... Make of truck.....

2 tons..... Make of truck.....

2½ tons..... Make of truck.....

3 tons..... Make of truck.....

3½ tons..... Make of truck.....

5 tons and over.. Make of truck.....

Number and size of additional trucks likely to be purchased during next six months.....

Company..... Signed.....
Position.....

Before these blanks were sent out, the name and address of the firm was put at the top so that even if the blank came back unsigned the firm sending it would be identified.

The value of the simple questionnaire that can be easily filled out is illustrated by the fact that the appeal brought

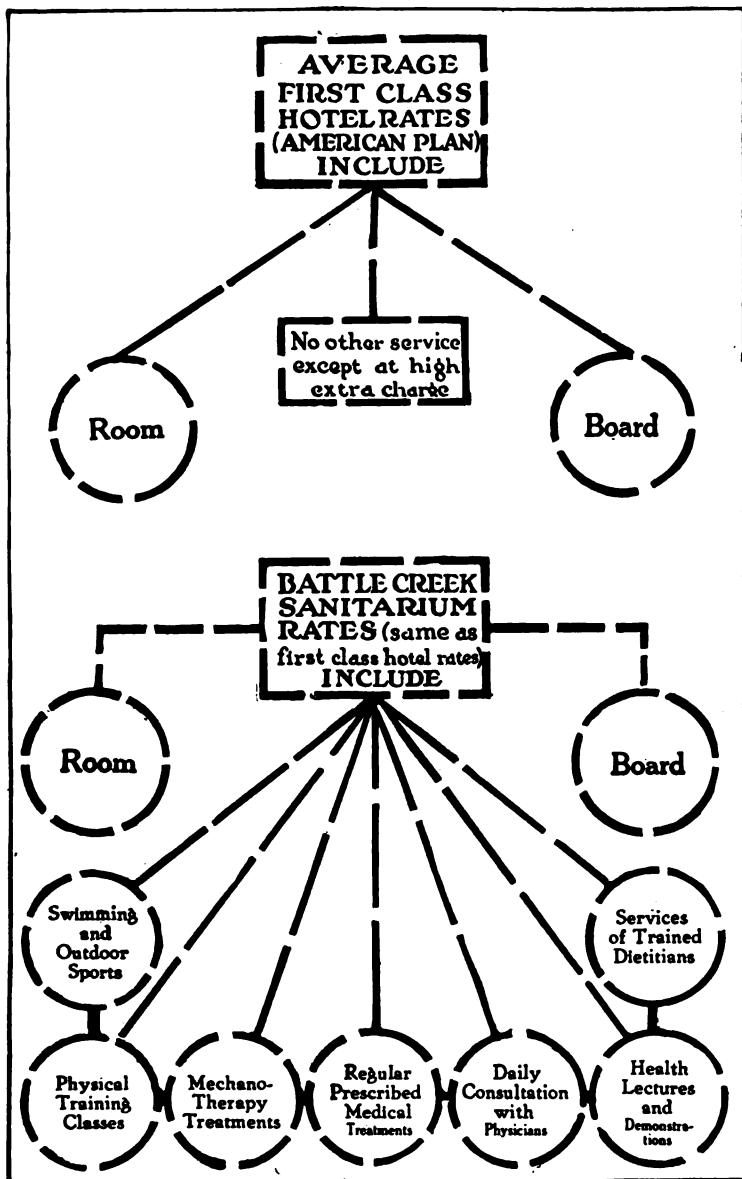


EXHIBIT 42.—Chart of Battle Creek Sanitarium, showing a pleasing comparison between the service offered by the Sanitarium and any first-class hotel.

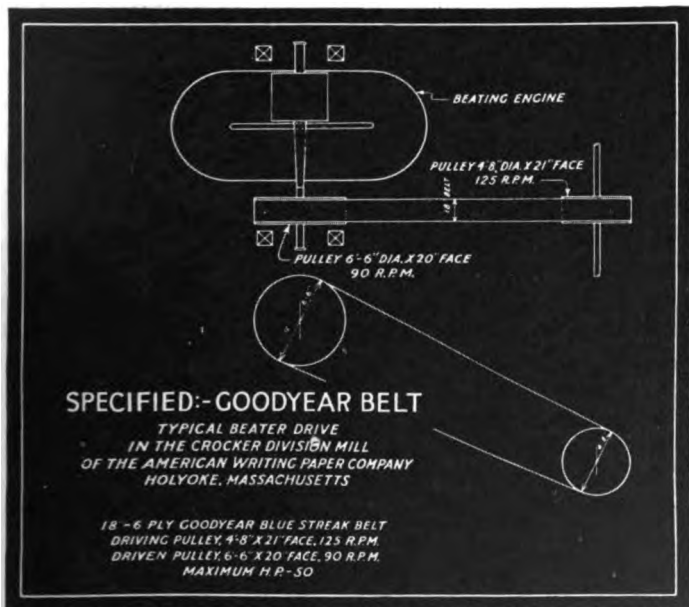
277 replies. Of these 277 concerns, 129 reported that they were operating 372 trucks. The information was finally assembled in the following manner:

Size of trucks, tons	No. of concerns	No. of trucks
1 or less	89	166
1½	24	33
2	39	57
2½	12	17
3	19	29
3½	16	27
4	5	5
5	26	36
Not stated	2	



EXHIBIT 43.—Example of how the sales argument for a product may be analyzed and charted in connection with an illustration of the product. Such a chart may be effectively used in advertising, in a demonstration booth, or by the salesman in making his sales.

Arrangement of Data in Form of Chart.—Even such a simple subject as a comparison of rates between a hotel and a sanitarium can be charted so as to bring out the sales value of the institution that gives the most for the money. The chart in Exhibit 42 shows graphically that a well known sanitarium not only gives room and board, as a hotel does, but offers seven other important services, and all for the rate of a



(Copyright, 1922, by the Goodyear Tire & Rubber Company.)

Exhibit 44.—In its promotional work, the Goodyear Tire & Rubber Company makes good use of diagrams of this simple style which illustrate the services made by Goodyear service men of the needs of a plant.

first class hotel. The advantage of the chart is that it not only looks more interesting but separates the various points more clearly than text ordinarily does and it furthermore encourages the use of simple titles or headlines instead of long discussions. Exhibit 43 is another interesting example.

How the Goodyear Tire & Rubber Company Uses Its Charts.
The Goodyear Tire & Rubber Company, describing its method

of using charts and diagrams in sales and advertising work, (Exhibit 44) says:

Our policy in building and merchandising mechanical rubber goods is to build service into the product and then see to it that the customer gets all the service out of the product that has been built into it.

In order that this may be accomplished, it is necessary that the operating conditions be analyzed and then the proper product specified to meet these conditions. In this way we insure the customer having the right product in the right place and are able to demonstrate efficiency and economy.

You can thus see that our whole policy is based on service. Such being the case these advertisements, which are concrete evidence of the service we have rendered through plant-analysis and proper application of our products, are of great benefit. Such evidence is used by our salesmen in the solicitation of business. While most of them do not carry a portfolio of these charts, they do carry current advertisements which they call to the attention of the buyer.

In addition to this, we have found that this form of advertising has built up a great deal of good-will toward our products, even in the minds of the laymen.

SECTION VI

STATISTICS, CHARTS AND RECORDS

STATISTICS AND THE SALES DEPARTMENT

It is easy to become fascinated with statistics and to carry statistical, report, and chart work to extremes. Nevertheless, the trend during the past decade in the planning and carrying out of sales operations, for both new and old organizations, has been decidedly in the direction of compiling facts and figures that reveal conditions accurately and graphically. The sales manager of the hour is a planner. Plans require facts and figures, history and records.

Figures do not make sales, but they may be of the greatest assistance. Human judgment may go wrong with the most accurate figures to assist it, but it is less likely to err when all the ascertainable facts are known. The man who is thinking of a sales campaign on white stockings is protected against over-enthusiasm when he can learn that for three years 75 per cent of the stockings bought by women are in black or in colors. He is aided further if he learns that for the preceding year the percentage representing sales of white stockings as compared with sales of black and colors is 10 per cent greater than the percentage of the previous year. So, figures may show not only past performances but trends. If the movement of sales on a given product has been steadily downward, then it follows that a sales campaign for such an article is facing a receding tide and an article must have either strong individual features to turn the tide, or there must be a campaign of unusual power to overcome the trend.

RANGE OF STATISTICS

The range of statistics and summaries for the sales department is wide indeed, being influenced by the character of the business, the class of people with whom business is done, and

other conditions. The following topics indicate something of the range:

1. Actual purchases of certain goods.
2. Potential purchases.
3. Location of purchasers or potential purchasers and their reading, buying and living habits.
4. Prices of the article under study and also of competitive articles.
5. Styles, colors, sizes, frequency of purchase, and usual marketing channel or method.
6. Tendency of purchasers toward continued use, considering better product, present product or a lower-priced one.
7. Manufacturing and selling costs, including advertising expense, trade commissions, etc.
8. Transportation.
9. Turnover and profit.
10. Working plans for salesmen—if they will be required—compensation, quota or standards, training methods.
11. Sales of accessories to principal product.
12. Items relating to repair and general service to purchasers.

Danger of Meager Statistics.—One who attempts to assemble data of any kind should go far enough to be sure of establishing a true “cross-section.” In other words, if the tastes and buying habits of only two hundred women are investigated in studying such a product as a soap, the facts uncovered would be too meager for a conclusion to be safely formed. In the case of a product of this kind, a thousand or more women should be interviewed, or questioned, and if the manufacturer or marketer expects to carry on a broad sales plan extending over a wide territory, a study should be made of the soap preferences, or soap-buying habits, of women in various sections of the country and of women of different stations in life. What might prove the trend or preference in New England might not be the trend or preference in the far West. The conclusion that might safely be established among women living on incomes of \$1,200 a year, or less, might be far from

the situation in homes having incomes of \$2,500 a year and upward.

When the producers of Life Buoy Soap were planning a new sales campaign, several thousand homes were investigated, and several hundred dealers were interviewed. These consumers and dealers were scattered through various states of the United States.

Guarding against Over-abundance of Statistics.—J. George Frederick, in an article in *Sales Management*, lists the following items as the principal data required by a sales department:

1. Population of city.
2. Nationalities of the population.
3. Names of newspapers.
4. Net paid circulations.
5. Morning, evening or Sunday issues.
6. General character of city's business—whether commercial or industrial.
7. Number of factories, with number of employes and total wages of employes.
8. Different types of factories, with number and wages for each type. Also pay-day dates.
9. Number of wholesale houses, and annual volume of their business.
10. Number of office buildings in the city.
11. Number of schools, with number of teachers and pupils.
12. Type and mileage of street railways.
13. Number of railroads entering the city, and number of employes resident in the city.
14. Number of individually owned houses.
15. Number of traffic teams in use.
16. Number of traffic automobiles, and of pleasure automobiles.
17. Proposed public improvements.
18. Projected office or factory buildings.
19. Number of banks and their annual earnings.
20. Number and character of investment companies.

21. Amount of bank deposits, both checking and savings accounts.
22. Character of motive power used, in general, in the industrial plants.
23. Natural facilities for producing construction material.
24. Total population within a business radius of fifty miles from the city, of which the city is the natural center market.
25. Conditions of transportation and of highways which favor the use of the city as a central market by this outside population.
26. Number of various dealers in different lines.
27. Number of residential suburbs within commuting distance, with population.
28. Number of people by grades of incomes, \$1,000, \$2,000, \$3,000 and over.
29. Bank clearings, building records and per capita property assessments.
30. Charitable institutions, public buildings, public debt, tax rate.

Occasionally, practically all of this information may be needed by some one sales manager. Most sales managers will save time, however, by selecting from such a list the particular items required by the peculiar conditions of the undertaking to be performed. Figures on motive power would be helpful to a manufacturer of belting but of little or no value to a manufacturer of sweaters.

Studying the Class from Whom Sales May Be Expected.—Far too many investigations are carried on among a class whose impressions or preferences do not form a true index of the class to whom sales must eventually be made, if the business is to be made successful. College students, or office employes, in large cities are sometimes questioned when the article is one that eventually must find its sale among farmers or the residents of small towns. In such a case so few of the subjects of the inquiry are in the proper group that the conclusions may be far wrong. Men of business offices may be interrogated with reference to some article that is used

mainly by mechanics. The views of the business men may afford a very poor clue.

These superficial studies are made usually because they can be made more conveniently and perhaps at a lower cost than actual study among real prospective customers.

The following list of questions was sent out with a view to getting data about a particular kind of rug. This information-seeking letter came to a number of business men, who answered to the best of their ability, but the weakness of this study lay in the fact that business men are not the usual purchasers of rugs, and therefore their views, unless they consulted their wives, daughters or feminine acquaintances, were of little value.

QUESTIONNAIRE ON RUGS

Please answer as fully as possible from what you *already know* of this product:

1. Did you ever hear of B. rugs?
2. Do you know what they are, or how they differ from other rugs?
3. What do you think they are made of?
4. Do you think they are cheap or expensive?
5. Have you any in your home? What rooms? How long? Are they satisfactory?
6. If not, do you know anyone who has B. rugs and in what rooms they use them?
7. If you have none, what rooms would you consider them suitable for?
8. Did you ever see a B. rug?
9. What is your impression of it? As to wearing qualities, beauty, texture, etc.
10. Check on list below the class of rugs with which you would compare B. rugs:

Chenille
Axminster
Grass (like Crex)

Wilton
Brussels

Classifications for a Garment Manufacturer.—The Printz-Biederman Company, of Cleveland, Ohio, a successful manufacturer of women's garments, sums up its classifications of women in the following way:

The young unmarried woman

The young married woman

(a) Without children

(b) With children

The middle-aged unmarried woman

The middle-aged married woman

(a) Without children

(b) With children

The elderly unmarried woman

The elderly married woman

(a) Without children

(b) With children

The unmarried professional or business woman

The married professional or business woman.

The sales manual of this concern deals with accounts of actual sales to all of these various types of women. While not neglecting general discussion and full technique, the Printz-Biederman Company believes that those who sell its garments can grasp the essential information better by the study of examples of actual sales, written in conversational language, just as an expert teacher or demonstrator would explain the procedure to a present class.

The following, referring to sales to the younger type of unmarried girl, is a typical example of the general observations that precede the conversational description of a model sale.

Girls at this age, especially unmarried girls, are very sensitive about the opinion of others; and they are most susceptible to offense where the fatness of their, or their family's pocketbook is in question.

If the girl is in business she can be talked to on the topic of durability, but beware of allowing her to feel that you have the least idea that her life outside her business hours is not so frivolous and full of pleasure as that of her idle sisters.

Exhibit 45 illustrates how an automobile manufacturer classified prospective purchaser so as to show the market, or probable market, for a new model.

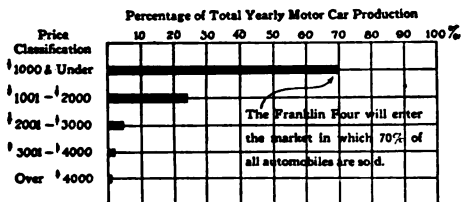
How a Writing-Paper Manufacturer Charts Conditions.—

The president of the American Writing Paper Company believes that "policies are based on figures, not on suppositions." In the offices of this concern are numerous charts information and services, special charts of the paper industry, mounted on wing frames so that they may be handled readily

by the executives. These charts comprise statistical business information and services, special charts of the paper industry, and of raw materials for guidance in purchasing and finances. There are other charts for the company's special problems.

Franklin Four's Market

Showing the Big Field In Which the Franklin Company Will Enter With the \$1000 Franklin Car in 1923



Analysis of Automobile Markets Compiled by Automotive Industries

IN LINE with the consistent progress of the Franklin Company the development, manufacture and marketing of the new, \$1000, air-cooled, four-cylinder Franklin, is the next logical step for the Company to take. Obviously the scope of its activities will be greatly broadened, and the name "Franklin" and that for which it stands—air-cooling, will be familiar to thousands of people who desire a car that will give the service, comfort, safety and attendant economy of an air-cooled car backed by the Franklin Company.

The Franklin Four will reach a market in which 70% of the automobiles are sold. The

chart above, which is an analysis of car sales according to the retail price of the cars, shows graphically the great sales possibilities of the Franklin Four.

The exclusive motoring advantages of the Franklin, which are not enjoyed by the purchasers of other cars, will naturally appeal to thousands of new automobile buyers. With the Franklin Six and the Four, the sales possibilities of the Franklin line will be greatly increased. Co-incident with increased sales, the purchasers of Franklin Securities, will be benefited by the added earnings of the Company.

□ □ □

Be a Franklin Stockholder

EXHIBIT 45.—How the Franklin automobile manufacturers used a chart compiled by others as a means of illustrating a new sales field.

The company's own sales are charted, and so are estimated sales of competitors. Even of bank balances, there are charts. These may show that there is too much money on deposit

which is not working. This bank-balance chart is constantly compared with that of accounts payable and receivable. If the balance is too low for settling accounts payable, more money is put into it, unless the chart of accounts receivable shows that money will be coming in from customers.

One constantly-referred-to chart of this manufacturer (Exhibit 46) depicts the division of every \$1,000 of sales. The last item, "Profits," is exploited as an item that will, with everyone's effort be increased by lessening expense.

A summary-chart used by this company shows weekly production, sales and orders. Orders provide the means for estimating production; production, in turn, is necessary for sales, then for collections, hence profits furnishing the means for purchasing raw materials to continue production and profit-making.

(*System*, September, 1922)

Jobber Business Increased by Comparative Statements.—The Pennsylvania Salt Manufacturing Company, of Philadelphia, maker of Lewis Lye, has succeeded in obtaining cooperation in the sale of its product by the simple means of keeping jobbers informed as to their own and their competitors' sales-records on the product. At regular intervals about three hundred of the leading jobbers handling Lewis Lye receive comparative sales statements showing just how they stand on the list in regard to sales, and, naturally, each man wants to get as high on the list as possible. These statements could hardly be expected to hold the interest of the jobbers if the demand for the product were not a steady one. To stimulate interest, this company undertakes special promotion campaigns from time to time, in addition to its regular nation-wide advertising. The country districts are appealed to particularly and the pride of the housewives aroused by contests for the best homemade soap. This naturally reacts favorably on the jobbers' sales and stimulates interest in the sales records.

TABLES, GRAPHS AND CHARTS AS AIDS

Plain summaries of facts and figures in easily read tables are often all that a sales department requires. But in many

HAULAGE SYSTEMS USED IN THE COAL MINES OF THE UNITED STATES

State	Total mines re- porting	Ani- mal	Rope	Compressed air		Storage battery		Gasoline		Steam		Electricity	
				Mines	Loco- motives	Mines	Loco- motives	Mines	Loco- motives	Mines	Loco- motives	Mines	Loco- motives
Alabama.....	214	182	67	30	6	23	9	13	32	38	51	145	
Arkansas.....	57	49	22	...	1	1	3	3	11	11	8	9	
Colorado.....	168	149	78	6	9	16	1	1	16	83	52	127	
Illinois.....	379	311	17	1	60	252	13	22	6	6	222	952	
Indiana.....	238	170	10	...	26	51	3	5	22	30	129	375	
Iowa.....	116	106	34	...	3	3	3	5	8	9	23	42	
Kansas.....	100	77	5	...	16	30	4	9	19	39	11	21	
Kentucky.....	698	481	45	6	68	108	11	11	22	32	322	929	
Maryland.....	79	66	16	...	1	1	4	4	5	6	29	59	
Michigan.....	14	11	...	...	5	...	...	...	...	...	12	33
Missouri.....	88	68	4	1	...	6	3	4	16	25	8	12	
Montana.....	37	30	13	...	1	1	1	1	1	2	23	35	
New Mexico.....	28	20	16	...	1	1	2	2	2	10	23	...	
North Dakota.....	59	53	6	...	...	...	7	7	5	6	...	7
Ohio.....	694	390	68	1	41	99	17	17	37	67	273	453	
Oklahoma.....	116	97	43	1	6	7	4	4	20	21	24	28	
Pennsylvania (bituminous).....	1,925	1,364	353	63	153	289	88	166	84	110	893	3,061	
Tennessee.....	136	105	27	4	8	8	19	30	19	23	43	130	
Texas.....	50	46	9	...	1	3	4	4	5	5	4	4	
Utah.....	27	25	12	...	4	5	...	...	1	1	16	72
Virginia.....	148	103	15	...	20	38	6	7	15	19	62	440	
Washington.....	36	23	12	3	6	9	4	5	7	11	14	50	
West Virginia.....	1,422	943	108	34	230	414	56	72	53	64	882	2,939	
Wyoming.....	54	48	21	5	1	3	1	1	3	3	33	67	
Total bituminous.....	6,883	4,917	1,001	155	667	1,368	263	393	409	613	3,149	10,013	
Pennsylvania (anthracite).....	205	147	65	57	26	60	8	12	119	456	125	1,252	
Grand total, 1922.....	7,088	5,064	1,066	212	693	1,428	271	405	528	1,069	3,274	11,265	
Grand total, 1920.....	6,286	4,587	946	255	469	903	241	317	529	964	2,735	9,855	
Grand total, 1919.....	6,136	4,458	996	112	437	832	226	339	497	907	2,848	9,586	
Grand total, 1918.....	4,947	3,035	844	387	180	349	215	336	478	1,017	2,352	9,184	

EXHIBIT 48.—Example of valuable data of great variety available by sales managers through requests directed to publishers of magazines and newspapers. Often such figures or summaries are drawn by the publishers from state or national government records. Frequently, they are the result of private research. This example is taken from the *Coal Age* service to buyers of its space. Some of these tables show the standing of even separate counties within the states.

Depth of Plowing

The average depth of plowing practised by farmers was a subject of inquiry among crop reporters of the Bureau of Crop Estimates. Each reporter who replied estimated the average depth plowed by farmers in his community. Seperate estimates were made for fall plowing and spring plowing, respectively. For the entire United States the average of fall plowing is found to be about 5.45 inches, and of spring plowing, 5.12 inches. State averages are given below:

PLOWING DEPTH, FALL AND SPRING

State	Fall, inches	Spring, inches	State	Fall, inches	Spring, inches
Maine.....	7.5	7.6	North Dakota....	5.0	4.7
New Hampshire....	7.0	6.9	South Dakota.....	5.1	5.2
Vermont.....	6.5	6.3	Nebraska.....	5.2	5.4
Massachusetts.....	7.4	7.8	Kansas.....	4.8	5.0
Rhode Island.....	6.0	6.3	Kentucky.....	5.9	6.0
Connecticut.....	6.5	6.4	Tennessee.....	6.0	5.6
New York.....	6.4	6.4	Alabama.....	5.3	4.2
New Jersey.....	6.4	6.9	Mississippi.....	4.0	3.3
Pennsylvania.....	6.7	6.5	Louisiana.....	5.0	4.3
Delaware.....	5.9	6.3	Texas.....	4.9	4.2
Maryland.....	6.3	6.5	Oklahoma.....	4.5	4.5
Virginia.....	6.6	6.5	Arkansas.....	5.0	4.4
West Virginia.....	6.1	6.0	Montana.....	5.5	5.5
North Carolina.....	6.5	5.8	Wyoming.....	5.9	5.6
South Carolina.....	5.8	4.9	Colorado.....	5.7	6.1
Georgia.....	5.1	4.0	New Mexico.....	5.6	5.2
Florida.....	5.7	4.7	Arizona.....	5.8	5.8
Ohio.....	6.4	6.9	Utah.....	7.5	6.7
Indiana.....	6.0	6.5	Nevada.....	6.6	6.7
Illinois.....	5.7	5.3	Idaho.....	6.1	6.1
Michigan.....	6.7	6.4	Washington.....	6.4	6.4
Wisconsin.....	6.0	5.7	Oregon.....	6.0	6.1
Minnesota.....	5.4	5.0	California.....	6.1	6.5
Iowa.....	5.7	5.0			
Missouri.....	5.6	5.6	United States...	5.45	5.12

EXHIBIT 50-a.

The estimates by States below, of the average number of horses used per plow, are based upon reports made by crop reporters of the Bureau of Crop Estimates.

HORSES USED PER PLOW

Maine.....	2.0	Ohio.....	2.5	Texas.....	3.2
New Hampshire...	2.0	Indiana.....	3.0	Oklahoma.....	3.0
Vermont.....	2.2	Illinois.....	3.5	Arkansas.....	2.0
Massachusetts....	2.0	Michigan.....	2.6	Montana.....	3.7
Rhode Island.....	2.0	Wisconsin.....	2.6	Wyoming.....	3.7
Connecticut.....	2.0	Minnesota.....	3.3	Colorado.....	3.4
New York.....	2.2	Iowa.....	3.7	New Mexico.....	2.9
New Jersey.....	2.2	Missouri.....	2.8	Arizona.....	3.3
Pennsylvania.....	2.2	North Dakota...	4.6	Utah.....	3.3
Delaware.....	2.7	South Dakota...	4.1	Nevada.....	3.1
Maryland.....	2.9	Nebraska.....	3.6	Idaho.....	2.9
Virginia.....	2.3	Kansas.....	3.7	Washington.....	2.9
West Virginia....	2.1	Kentucky.....	2.2	Oregon.....	3.4
North Carolina...	1.9	Tennessee.....	2.1	California.....	4.2
South Carolina...	1.5	Alabama.....	1.4	United States....	2.7
Georgia.....	1.6	Mississippi.....	1.4		—
Florida.....	1.6	Louisiana.....	2.4		

EXHIBIT 50-*b*.—While there are only occasional needs for such data as appears here and in Exhibit 50-*a* this is information that, at infrequent intervals, may be exceedingly valuable to those having for sale an article closely related to plowing, or such products as fertilizers, etc.

SWINE AND POULTRY IN COLORADO, BY COUNTIES

(Figures from 1922 Colorado Year Book)

County	Swine (number)	Poultry (dosens)	County	Swine (number)	Poultry (dosens)
Adams.....	15,369	4,238	Lake.....	57	No report
Alamosa.....	5,569	828	La Plata.....	9,618	2,100
Arapahoe.....	7,657	4,498	Larimer.....	14,043	6,618
Archuleta.....	3,100	643	Las Animas.....	6,579	2,263
Baca.....	8,815	5,124	Lincoln.....	9,246	4,996
Bent.....	4,500	No report	Logan.....	16,543	8,600
Boulder.....	7,902	No report	Mesa.....	10,210	5,913
Chaffee.....	4,991	856	Mineral.....	58	46
Cheyenne.....	4,378	No report	Moffat.....	3,572	1,382
Clear Creek.....	60	79	Montezuma.....	9,951	2,026
Conejos.....	14,597	397	Montrose.....	11,393	4,265
Costilla.....	13,201	789	Morgan.....	15,893	4,582
Crowley.....	6,354	2,512	Otero.....	9,542	6,382
Custer.....	1,560	702	Ouray.....	1,085	405
Delta.....	11,602	3,814	Park.....	527	610
Denver.....	2,957	1,450	Phillips.....	9,965	3,614
Dolores.....	421	302	Pitkin.....	1,284	423
Douglas.....	3,116	1,655	Prowers.....	8,085	6,312
Eagle.....	2,645	583	Pueblo.....	13,539	5,040
Elbert.....	11,976	4,270	Rio Blanco.....	3,655	1,220
El Paso.....	12,286	3,586	Rio Grande.....	24,763	No report
Fremont.....	4,942	3,374	Routt.....	6,014	2,512
Garfield.....	7,211	2,568	Saguache.....	8,727	1,058
Gilpin.....	69	No report	San Juan.....	37	No report
Grand.....	536	351	San Miguel.....	2,792	No report
Gunnison.....	968	546	Sedgwick.....	4,800	2,560
Hinsdale.....	60	No report	Summit.....	142	193
Huerfano.....	6,114	302	Teller.....	621	No report
Jackson.....	362	234	Washington.....	15,141	8,379
Jefferson.....	6,630	6,135	Weld.....	37,661	15,367
Kiowa.....	2,642	7,325	Yuma.....	26,338	9,032
Kit Carson.....	10,543	7,452	State.....	165,021	170,512

(Courtesy of Western Farm Life.)

EXHIBIT 51.—Example of valuable data obtainable from state or city year books.

SILOS IN THE UNITED STATES

BY STATES

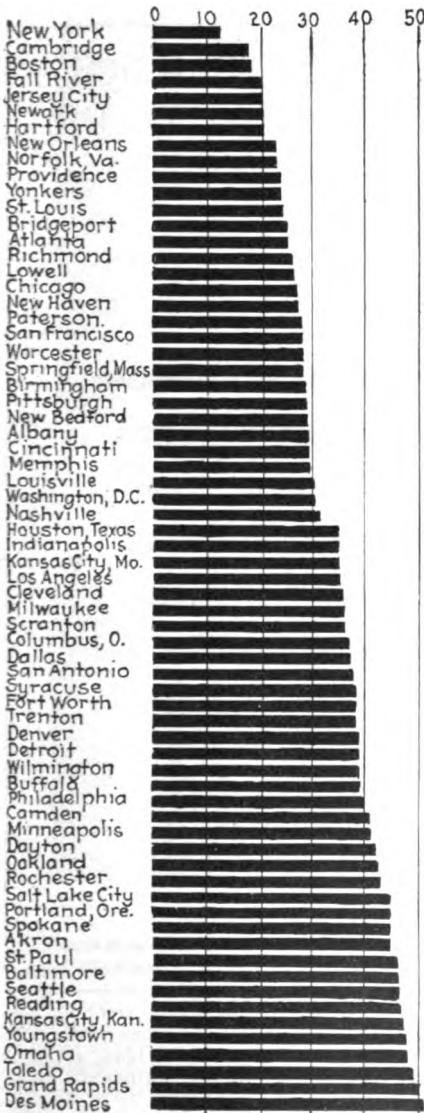
Compiled from data secured from the United States Department of Agriculture, State Experiment Stations, State Boards of Agriculture and other reliable sources.

State	No. of silos	Average capacity, tons	Principal crops used for silage
Alabama	476		
Arizona	116	128	kaffir, corn.
Arkansas	2,311	75	corn, sorghum.
California	1,081	100	corn, sorghum, alfalfa.
Colorado	2,567	150	corn, barley, peas.
Connecticut	1,766	100	corn.
Delaware	1,081		
Florida	130	100	corn, sorghum, Japanese cane.
Georgia	130	60	corn, sorghum.
Idaho	293	85	corn, peas and oats.
Illinois	30,000	79	corn, soy beans.
Indiana	27,000	70	corn.
Iowa	19,072	120	corn.
Kansas	11,343	100	corn, kaffir, feterita, milo.
Kentucky	10,000	80	corn.
Louisiana	130		
Maine	3,915		
Maryland	485		
Massachusetts	5,588	40	corn.
Michigan	33,000	70	corn.
Minnesota	16,000	95	corn.
Mississippi	621	100	corn, sorghum.
Missouri	13,000	90	corn.
Montana	218	60	corn, peas and oats.
Nebraska	6,465	100	corn.
Nevada	5	60	corn.
New Hampshire	3,124		corn, millet.
New Jersey	1,576	75	corn.
New Mexico	61		
New York	55,000	75	corn.
North Carolina	615	50	corn.
North Dakota	3,161	120	corn.
Ohio	25,000	67	corn.
Oklahoma	4,630	75	cane, milo, feterita.
Oregon	1,834	55	corn, oats and vetch, clover.
Pennsylvania	26,825	65	corn.
Rhode Island	949	70	corn, soy beans.
South Carolina	288	75	corn, sorghum.
South Dakota	4,630	120	corn.
Tennessee	4,630		
Texas	674		
Utah	535	90	corn.
Vermont	19,658	100	corn.
Virginia	6,177	75	corn.
Washington	2,925	75	corn, clover, peas and oats, wheat.
West Virginia	7,723	55	corn.
Wisconsin	55,992	120	corn.
Wyoming	81	70	corn, alfalfa, oats and peas.
Total	413,974	84.6	

(Courtesy of Standard Farm Papers.)

EXHIBIT 52.—Example of statistical information obtainable from United States Department of Agriculture and other organizations devoted to agriculture or dairying. Such a summary may be very valuable to a manufacturer of farm machinery, stock feed, new type of silo, and so on.

PERCENTAGE OF HOUSEHOLDERS OWNING HOMES



FROM BUREAU OF CENSUS STATISTICS. CITIES OVER 100,000.

	Total Homes 1920	Per Cent Owned 1920	Per Cent Owned 1910	Per Cent Owned 1900
New York	1,278,341	12.7	11.7	12.1
Cambridge	25,293	17.6	18.9	21.2
Boston	164,785	18.5	17.1	18.9
Fall River	26,399	19.7	17.8	18.0
Jersey City	67,288	19.7	20.2	20.0
Newark	93,274	20.2	20.0	21.1
Hartford	30,813	20.8	21.5	21.8
New Orleans	85,188	23.1	23.1	22.6
Norfolk, Va.	26,732	23.2	20.3	17.0
Providence	54,736	23.5	23.8	21.0
Yonkers	22,136	23.5	23.5	23.4
St. Louis	190,640	23.8	23.0	22.8
Bridgeport	31,994	24.6	22.1	23.1
Atlanta	46,523	24.7	24.7	18.6
Richmond	39,181	25.9	24.0	22.0
Lowell	37,066	26.1	22.4	22.9
Chicago	628,912	27.0	26.2	25.1
New Haven	36,257	27.0	25.5	26.6
Paterson	32,166	27.4	24.0	23.2
San Francisco	123,349	27.4	33.0	24.1
Worcester	39,230	27.7	24.4	24.9
Spring'f'd, Mass.	30,361	27.9	29.4	33.3
Birmingham	43,040	28.1	29.7	13.8
Pittsburgh	130,274	28.2	28.0	26.7
New Bedford	26,858	28.6	25.3	27.9
Albany	28,097	28.7	26.9	26.3
Cincinnati	106,239	28.7	23.2	20.9
Louisville	42,360	28.9	25.2	18.8
Memphis	60,490	29.8	26.6	26.4
Wash'ton, D. C.	66,194	30.3	25.2	24.2
Nashville	30,320	31.9	30.6	26.0
Houston, Tex.	33,932	34.2	31.4	31.7
Indianapolis	81,256	34.5	33.0	33.7
Kans. City, Mo.	82,056	34.7	36.2	24.2
Los Angeles	139,476	34.7	44.7	44.1
Cleveland	182,692	35.1	35.2	37.4
Milwaukee	106,101	35.5	36.4	35.9
Scranton	29,768	35.5	37.6	37.9
Columbus, O.	58,913	36.6	35.7	31.2
Dallas	36,754	36.9	36.0	33.2
San Antonio	36,405	37.8	40.8	38.0
Syracuse	41,558	37.9	39.7	37.4
Pt. Worth	25,052	38.1	34.7	38.0
Trenton	25,319	38.1	31.2	26.2
Denver	61,916	38.3	36.2	28.0
Detroit	218,973	38.3	41.2	39.1
Wilmington	24,488	38.3	30.4	27.1
Buffalo	116,201	38.6	34.2	32.9
Philadelphia	402,946	39.5	26.6	22.1
Camden	26,645	40.5	29.2	25.7
Minneapolis	91,843	40.9	40.4	28.7
Dayton	38,138	41.9	38.1	38.0
Oakland	55,793	42.0	46.7	41.9
Rochester	68,247	42.5	42.1	37.8
Salt Lake	28,216	44.3	45.1	40.0
Portland, Ore.	67,045	44.6	46.3	31.4
Spokane	27,178	44.6	51.3	37.2
Akron	44,195	44.7	50.4	53.7
St. Paul	54,409	46.1	41.2	29.0
Baltimore	166,857	46.3	33.7	27.0
Seattle	80,048	46.3	44.9	31.6
Reading	25,202	46.6	39.6	37.1
Kans. C., Kans.	25,009	47.6	46.1	33.7
Youngstown	28,699	47.8	40.7	45.1
Omaha	44,499	48.4	39.8	27.7
Toledo	57,951	49.4	44.3	43.0
Grand Rapids	33,703	50.2	47.9	41.4
Des Moines	31,644	51.1	45.6	38.3

(Courtesy of The American Building Association News.)

EXHIBIT 53.—Data of this kind—obtainable from Governmental departments, building or trade association or technical publications—gives the most fundamental and often very valuable information. Such showings as are here indicated may undergo material changes in a five- or ten-year period.

HOW MANY FARM HOMES CAN YOU
REACH FOR \$1.00 IN EACH OF THE
SIX NATIONAL FARM PAPERS?

FARM AND HOME	175.075
SUCCESSFUL FARMING	172.423
COUNTRY GENTLEMAN	165.990
FARM LIFE	161.492
FARM AND FIRESIDE	160.694
FARM JOURNAL	155.832

FARM AND HOME GIVES MORE
FOR EVERY DOLLAR EXPENDED
THAN ANY OTHER NATIONAL
FARM PAPER

BASED ON
NET PAID CIRCULATION
PUBLISHERS' STATEMENT
DECEMBER 31, 1921

FARM+HOME
RESEARCH DEPT.

EXHIBIT 54.—A simple chart indicating comparative extent of farm-magazine circulation when reduced to the common basis of one dollar. This Exhibit, as well as Exhibit 55, was printed originally in blue, giving the pleasing appearance of a blue print inserted in a printed document.

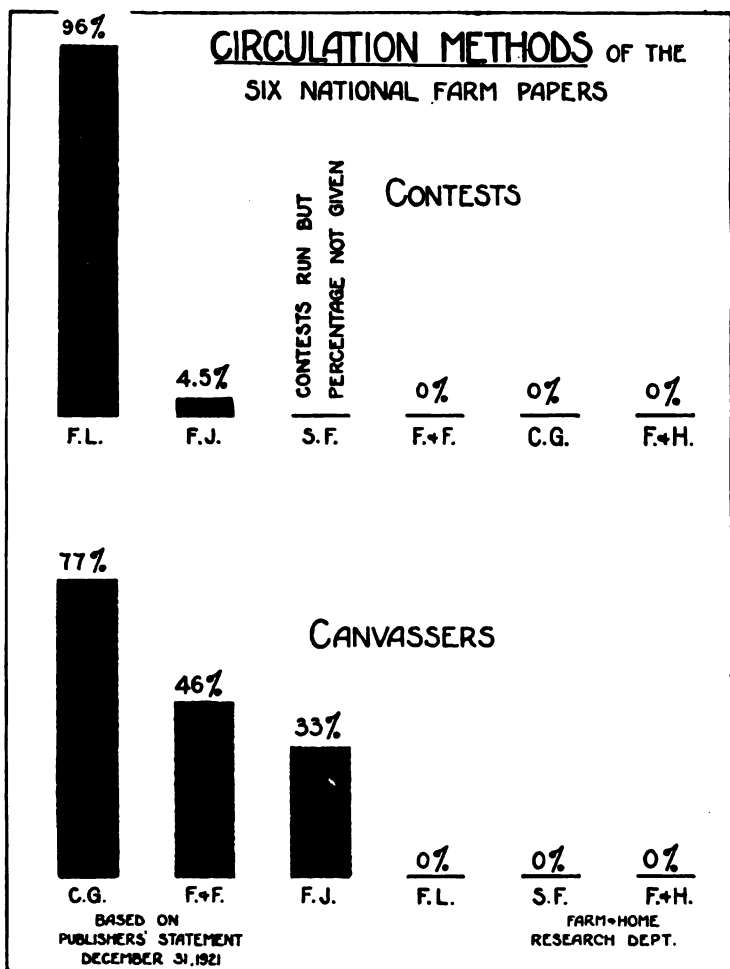
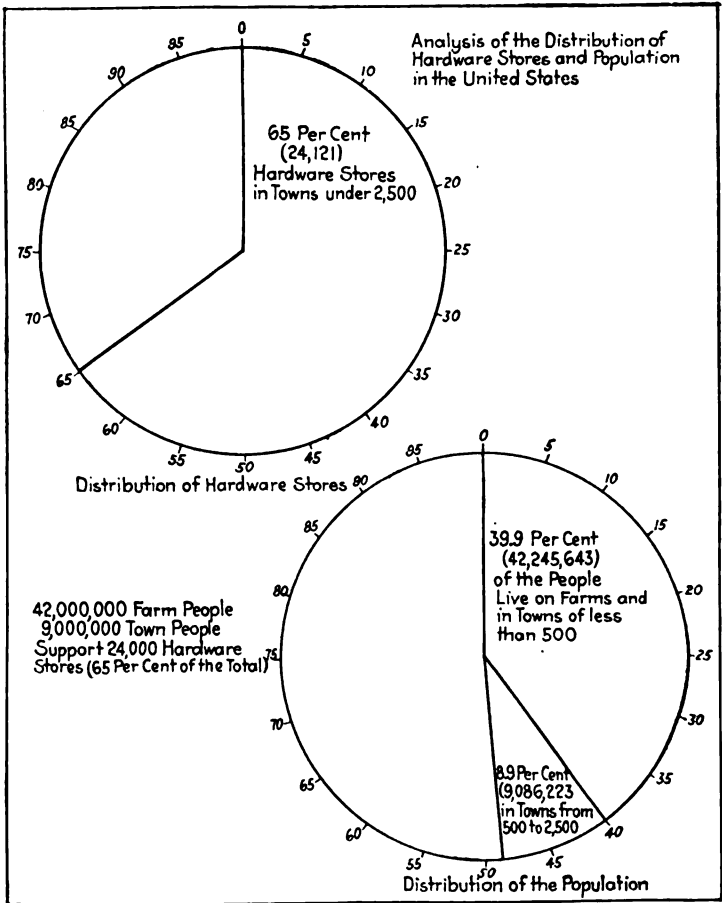


EXHIBIT 55.—As the value of magazine circulation depends to an appreciable extent on the methods by which it is secured, the publishers of *Farm and Home* have here brought out very effectively a comparison of circulation-getting methods with those of five competitors. Exhibit 54 gives the names of all the magazines.



ЕХЯИВТ 56.—Standard Farm Papers chart, indicating by the circular method the location of the hardware stores of the country with respect to population.

The circle is one of the simplest forms for showing comparative distribution or sales.

In Exhibit 59 are reproduced two charts that show the monthly variations of sales averages in ten groups of specialty retail stores as compared with the monthly variations of sales in general stores.

In making up the first table, representative stores carrying hardware, shoes, groceries, etc. were used.

While the average of ten different types of specialty stores shows a fairly close approach to the average sales of general stores, month by month, the specialty stores vary considerably,

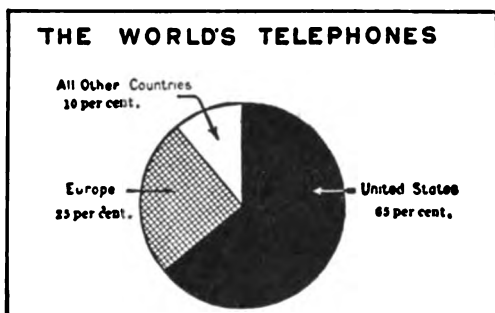


EXHIBIT 57.—Another impressive way of using the circle to indicate how business is divided, or comparative results.

thus indicating the danger of applying general averages to any one line of retailing.

The charts do, however, bring out the important fact that there is not as much seasonal variation in retail selling as there once was. The midsummer months are not far behind October, November and December, and January and February, which in many businesses would naturally be affected by holiday buying. This shows that it is possible, through proper sales effort, to bring the showing up to a fair percentage.

Exhibits 62-a and 62-b illustrate the great variety of charts that may be constructed with the aid of outline maps. These illustrations were published originally in *Personal Efficiency*, a magazine issued by the La Salle Extension University of

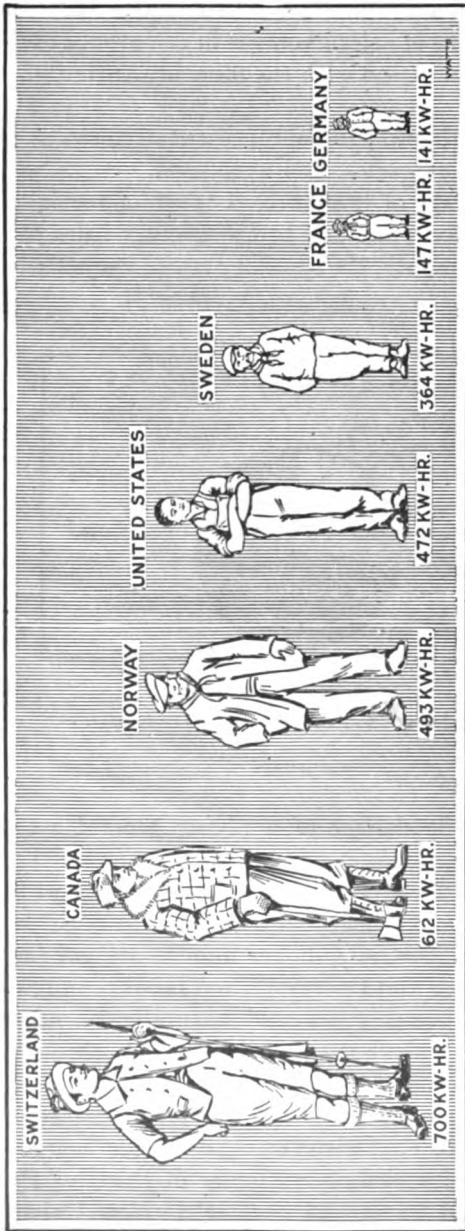


EXHIBIT 58.—Sometimes when charts are to be viewed by boards of directors or important committees it is worth while to go to special expense for art work in order to make the representations more vivid. In the case of the graphic illustration above—published originally in the *Electrical World*—the use of electrical horsepower per capita is shown with unusual clearness because of the differently costumed men. An exhibit of this kind is often valuable enough to be framed and put up as a permanent exhibit until such time as changing conditions make it out of date.

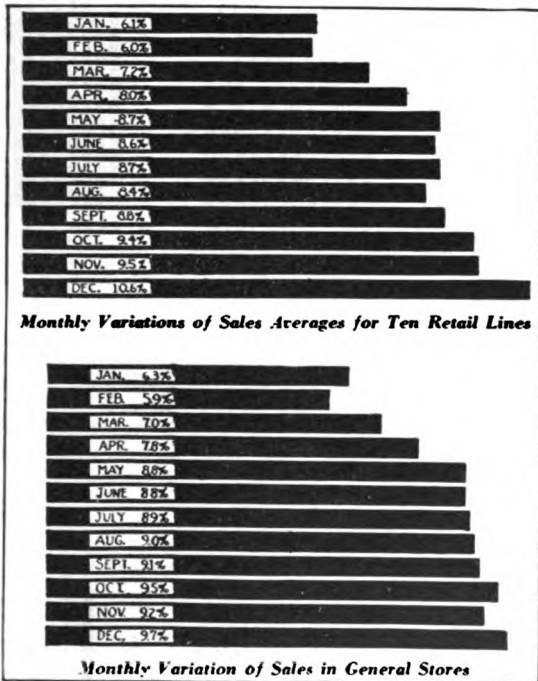


EXHIBIT 59.—Charts that show variation of sales in specialty stores as compared with general stores. Compare with Exhibit 60.

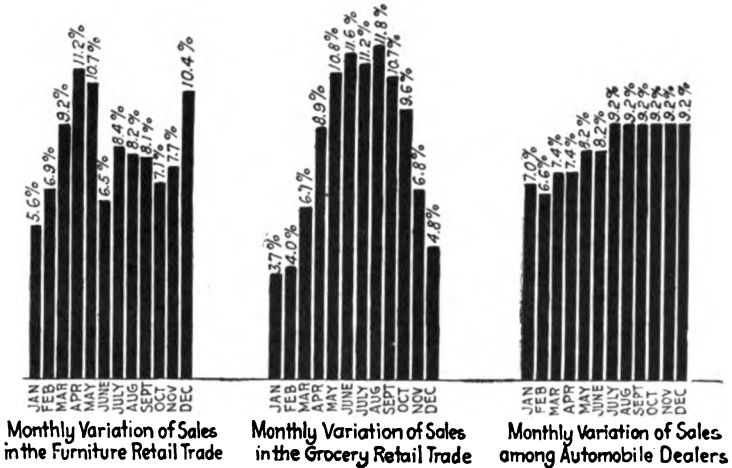


EXHIBIT 60.—Here are shown percentage chartings of three different groups of retailing. As will be seen from these charts, there is a wide range in seasonal or monthly sales among the different classes of retail stores. As might be expected, the grocery business runs much more uniformly than such goods as furniture or automobile equipment.

This and Exhibit 59 are reproduced through the courtesy of the Associated Business Papers, Inc.

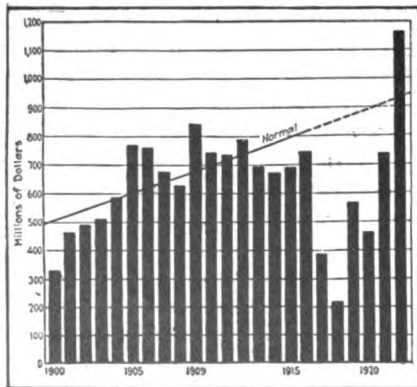


EXHIBIT 61.—The block system of showing business by years, together with line showing the trend of normal increase. These figures show value of building permits from 1900 to 1922 in fifty of the principal cities of the United States. Published originally in the *Engineering News-Record*.

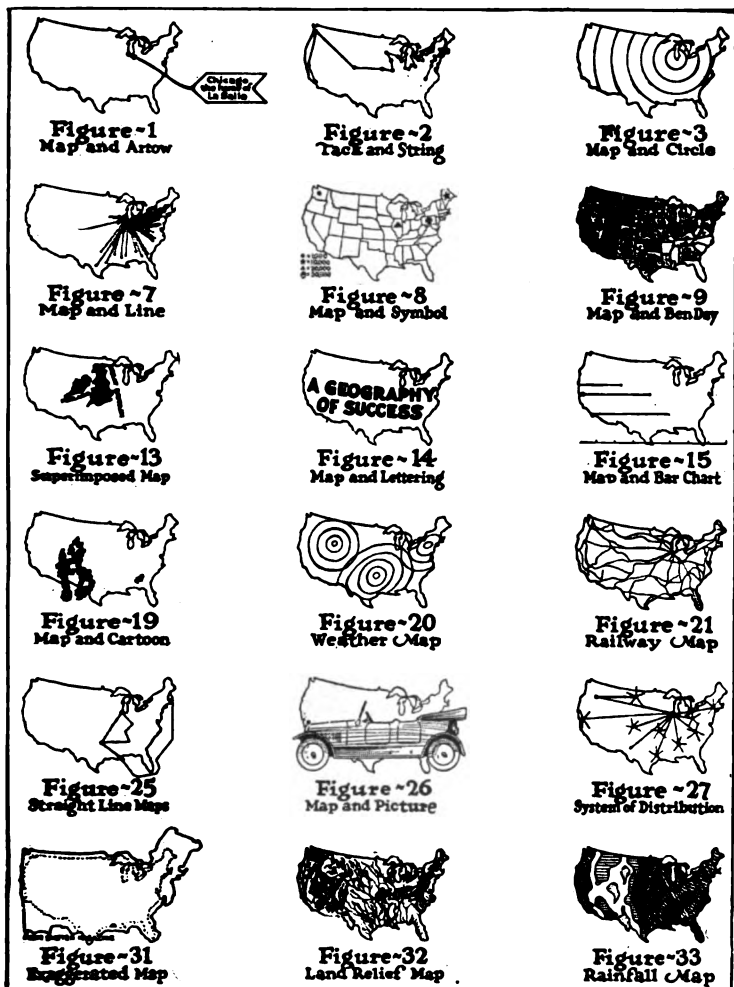


EXHIBIT 62-a.—Collection of map charts published originally in *Personal Efficiency*, a magazine issued by the La Salle Extension University, Chicago, Ill., showing the great variety of uses of maps in saleswork.

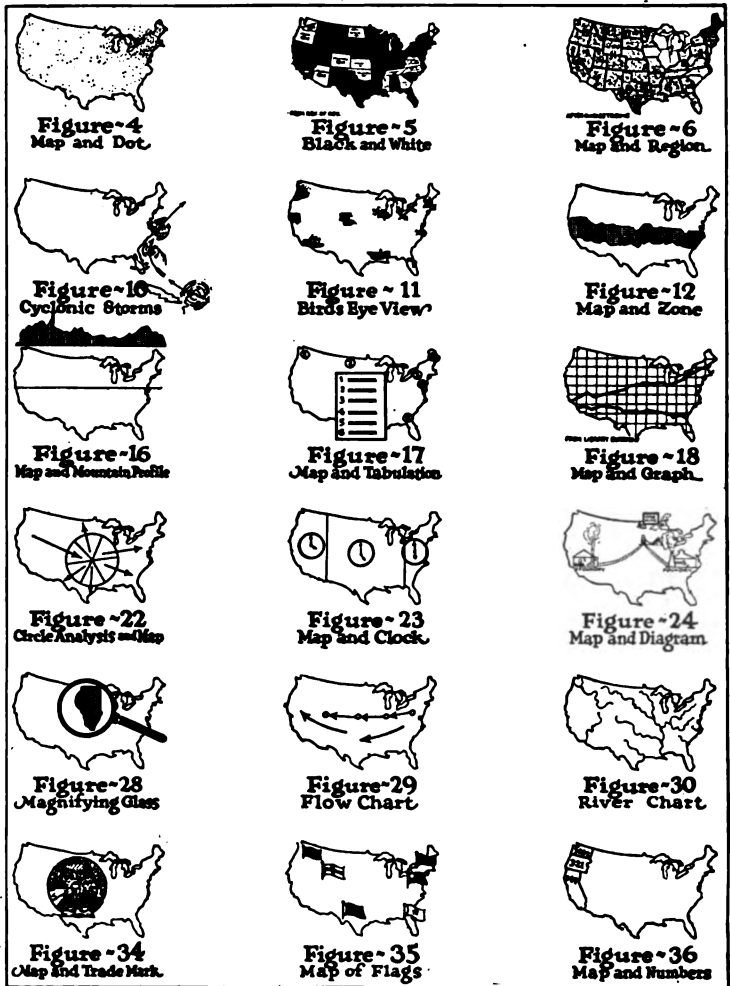


EXHIBIT 62-b.—By utilizing outline maps a sales manager can make many kinds of effective charts. See also Exhibit 65-a.

Chicago. E. P. Hermann, who arranged this exhibit, sets forth the following things that a graphic map can show:

- Show routes of salesmen.
- Locate a salesman at any time.
- Show your branches and agencies.
- Indicate the distribution of your sales.
- Find the best routes for shipment.
- Concentrate on most productive territory.
- Herald the wide use of your product.
- Locate zones where your goods could be sold.
- Indicate your headquarters.
- Divide your sales territory.
- Eliminate wasteful advertising.
- Show your central location.
- Indicate your proximity to sources of supply.
- Suggest probable prospective buyers.
- Visualize sectional sales.
- Route rush shipments.
- Weigh merits of prospective sales territory.
- Assign men profitably to sales territory.
- Find closest supply of your product for particular customer.
- Indicate seasonal conditions.
- Check up on salesmen's calls.
- Find out if more dealers are required.
- Tell where your goods are selling.
- Tell where extra effort would be worth while.
- Look up inquiries and inquirers.
- Show contracts placed or in process.
- Indicate territories where advertising is placed.
- Promote mail-order sales.
- Keep check on monthly sales.
- Indicate sales quotas.
- Follow special campaigns.
- Visualize credit standings.
- Indicate cities by range of population.
- Make executive reports.
- Find local satisfied users for reference.
- Keep tab on state production.
- Check time of mail to various points.
- Determine logical direction of flow.
- Compare sales records.
- See sectional conditions.
- Explain your plans to your board of directors.
- Plan a strategic sales campaign.
- Visualize total resources.

- Determine merits of several proposed routes.
- Analyze collections.
- Time telegrams and letters.
- Locate supplies.
- Determine local conditions.
- Keep a summary of nation-wide conditions.
- Indicate your dominance in your field.
- Study possible future expansion.
- Coordinate all available information.

Charting Rise and Fall of Sales.—One of the simplest methods of charting the rise and fall of sales by months is shown in Exhibit 83. With a scale of percentages in the left vertical column and the names of the months running in

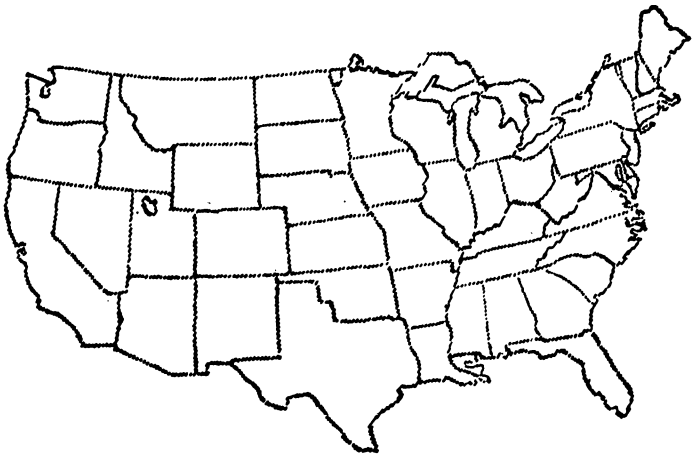


EXHIBIT 63.—Outline map of a style which can be used advantageously for recording brief data geographically.

the horizontal panel, the increase or decrease from month to month is shown clearly.

Various kinds of lines may be used on this simple form of chart to indicate different items—competitors' sales, rural sales as compared with city sales, comparison of sales of one product with those of another, relation of sales expense to volume of orders, and so on.

In Exhibit 83 the three lines indicate the rise and fall of the general business of three stores of the same class

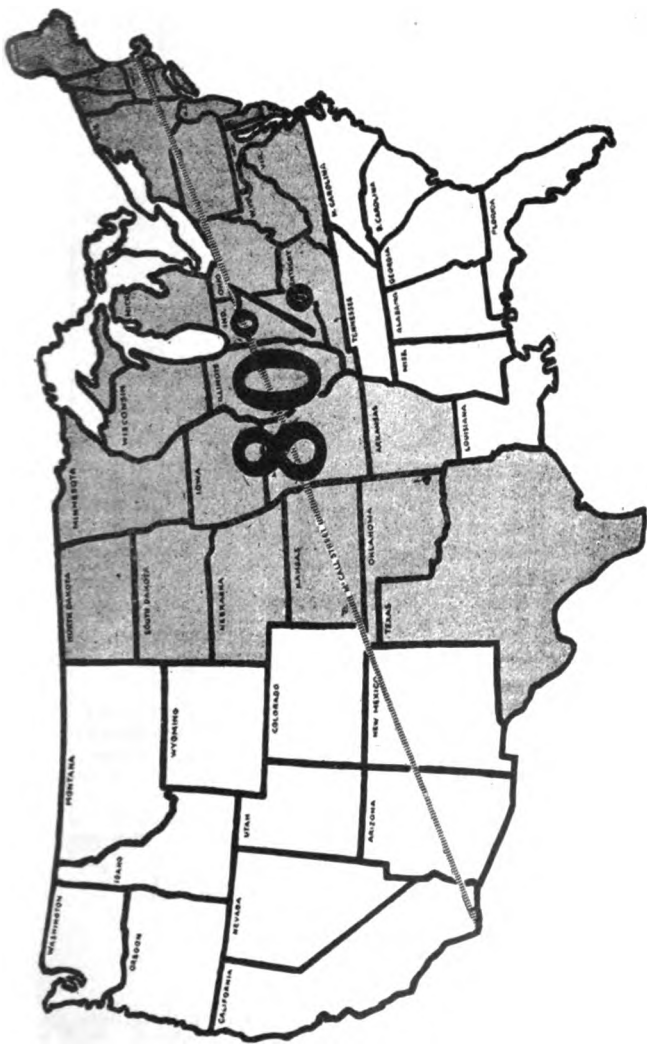
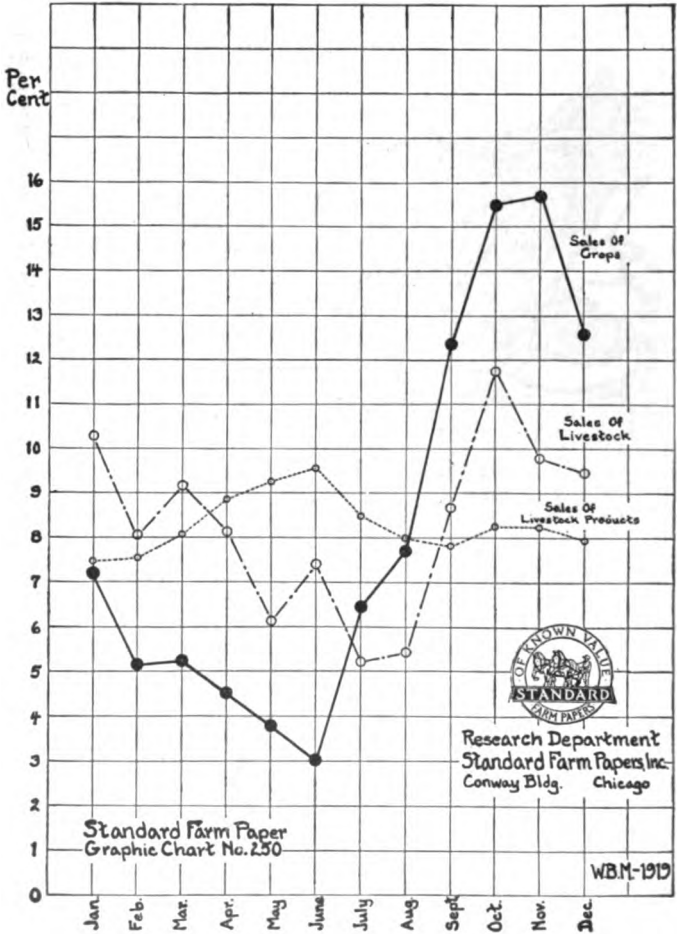


EXHIBIT 64.—Impressive method of showing the area in the United States in which statistics show 80 per cent of all merchandise sold.

The national magazine using this chart (*McCall's*) sets forth that this area, in addition to representing the homes of 80 per cent of families and 80 per cent of general purchases, represents specifically the location of 83 per cent of net incomes, 87 per cent of the value of manufactured products and 89 per cent of the urban population of the United States (those living in cities and towns of more than 2,500).

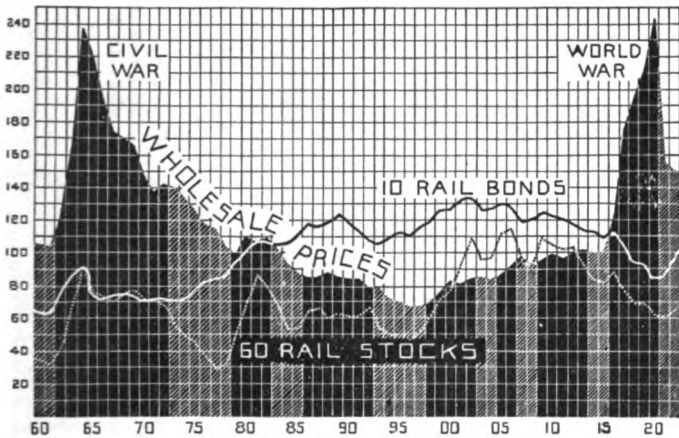
Finally, the magazine sets forth that this area represents the distribution of 80.2 per cent of its circulation.



Legend:
 ●—● = Sales of Crops
 ○—○ = Sales of Livestock
 ●—○ = Sales of Livestock Products

EXHIBIT 65.—Graphic chart of simple style indicating by three lines the relative sales by months of three major groups of farm products. Such a chart indicates the periods of the year in which the farmer receives the most money.

Price Trends in a Fifty-Year Period



(Courtesy of L. P. Ayres, Cleveland Trust Company)

EXHIBIT 66.—Line and cross-section shading method of showing wholesale prices from 1860 to 1922, the prices of 10 rail bonds, and 60 rail stocks. The cross-hatch bars indicate years of depression.



EXHIBIT 67.—How the Sturtevant Company salesmen visualize the time taken by the old-style broom method of cleaning as compared with the sanitary, easier and dustless method of cleaning by the vacuum method. This company then follows with the elaboration that: "It takes five people to do, with brooms, what two can perform more easily by the Sturtevant method. Take your pencil for a moment. Put down your present yearly costs for sweeping, and you will see that, so far as cost is concerned, the Sturtevant vacuum system will bring back its cost the first year."

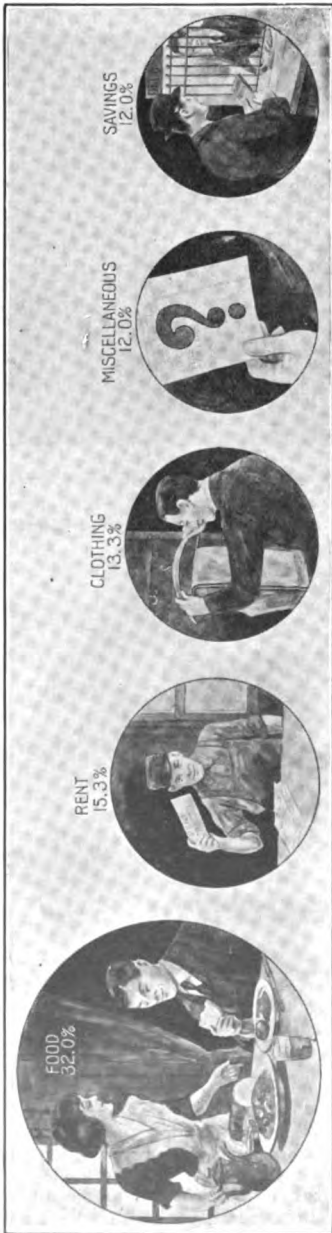
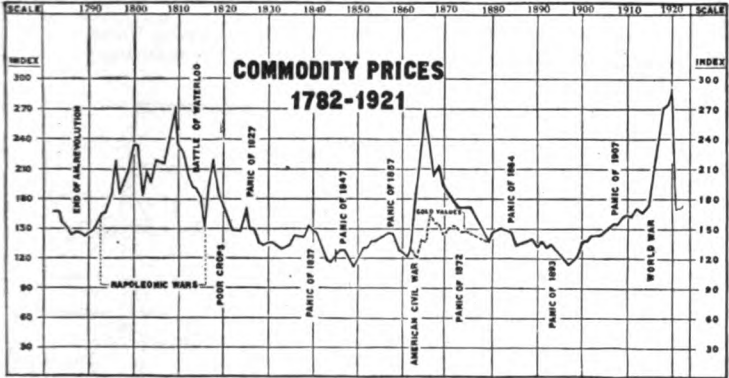


EXHIBIT 68.—Another interesting example of how figures are aided by pictorial representation. This illustration appeared originally in the *Scientific American* and illustrates a compilation of figures about the expenditure of wages by workers in the construction industries.

It is probable that these figures represent fairly accurately the expenditure of wages by other large groups of workers. It is often a good investment for a sales manager to make up charts of this kind in handy size that may be taken out by salesmen to make certain facts clear. Such pictures are always more impressive than general assertions, especially when the pictures are supported by figures secured by a thorough research.



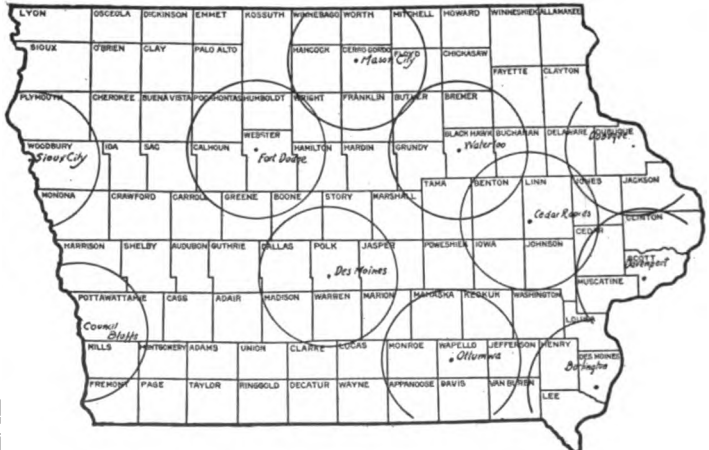
(Courtesy Babson Statistical Organisation)

EXHIBIT 69.—This chart gives the trend of commodity prices for the past 140 years and is shown to indicate what sales managers and general managers may sometimes learn through study of the rise and fall of prices in the periods that include wars, panics, poor crops, and so on. As no index of United States commodity prices is available for the entire period, Jevon's index of English commodity prices from 1782 to 1845 was used, this being also a close index of American prices. From 1845 to 1889 the weighted form of Faulkner's index of American commodity prices was used, as prepared for the Aldrich Report of Wholesale Prices to the United States Senate. From 1889 on, Dun's index of commodity prices was used. These various indexes follow so nearly the same trend that they are easily adjusted one to the other.

Distributing Centers

Map Showing Location of Iowa's Principal Distributing Centers. Detailed Information Relative to Each Territory Will Be Found Below the Map

Radius of Circle—25 Miles



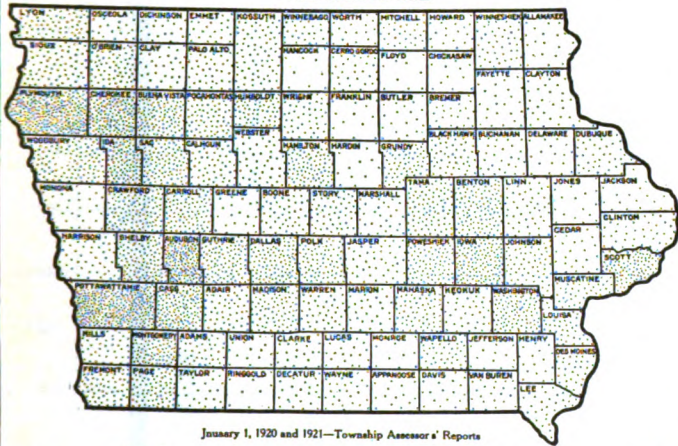
Population of City (1900 Census)	Population Within Circle (1900 Census)	Form of Amusement Support	Railway Connections of Distributing Centers
Burlington — 21,857	99,491	6,524	Burlington—Rock Island—Pacifi & Western (Electric)—Cedar Rapids & Iowa City (Electric)
Cedar Rapids — 41,286	164,000	11,170	Illinois Central—Northwestern—Rock Island—Milwaukee—Waterloo & Northern
Council Bluffs — 26,342	94,973	7,912	Burlington—Wabash—Chicago Pacific—Illinois Central—Northwestern—Rock Island—Great Western—Milwaukee
Davenport — 56,722	195,288	7,000	Burlington—Rock Island—Milwaukee—Clinton & Muscatine (Electric)
Des Moines — 33,468	243,038	13,628	Burlington—Rock Island—Wabash—Northwestern—Minneapolis & St. Louis—Great Western—Milwaukee—Inter Urban (Electric)—Fort Dodge & Southern (Electric)
Dehober — 19,141	82,751	4,131	Burlington—Illinois Central—Great Western—Milwaukee
Fort Dodge — 19,349	89,033	11,081	Illinois Central—Minneapolis & St. Louis—Great Western—Fort Dodge & Southern (Electric)
Mason City — 28,285	101,112	12,962	Northwestern—Rock Island—Minneapolis & St. Louis—Great Western—Milwaukee—Mason City & Clear Lake (Electric)
Ottumwa — 21,021	153,364	15,139	Burlington—Wabash—Rock Island—Milwaukee
Spaulding City — 71,229	129,716	6,341	Burlington—Illinois Central—Northwestern—Milwaukee—Great Western
Waterloo — 24,129	120,700	11,261	Illinois Central—Rock Island—Great Western—Waterloo & Northern (Electric)

EXHIBIT 70.—Chart indicating how state maps may be marked to show distributing centers. In the original chart the circles and the distributing cities were shown in red.

Motor Trucks On Farms

There are 10,788 Motor Trucks on farms in Iowa—an Average of One Truck For Every 18 Farms. (Ask for our booklet, "Automotive Facts About Iowa," which shows total distribution of Automobiles and Motor Trucks in Iowa by county and make.)

Scale: One Dot=2 Trucks



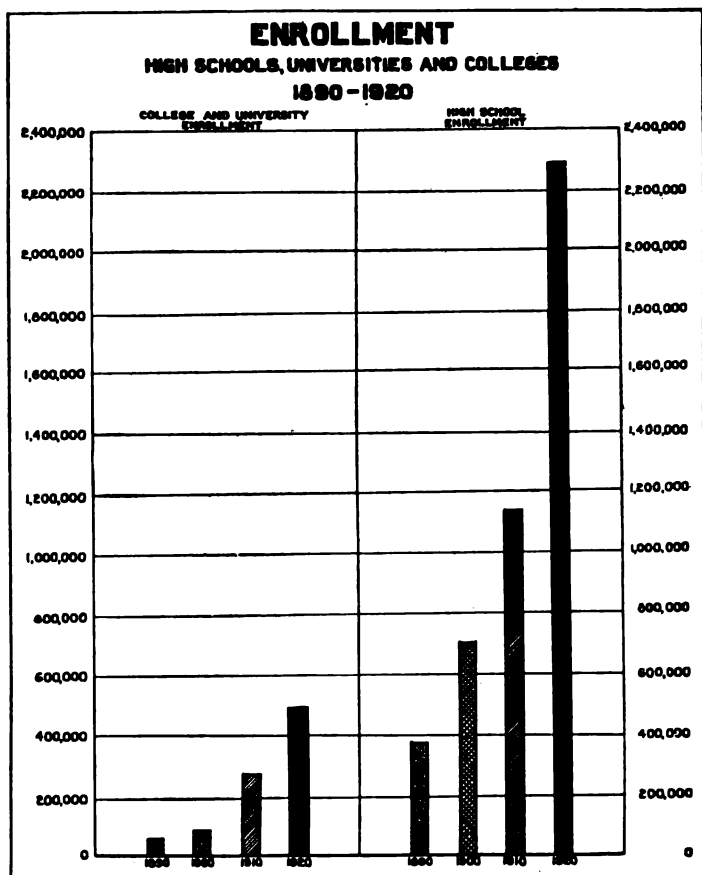
January 1, 1920 and 1921—Township Assessor's Reports

No. Trucks on Farms		No. Trucks on Farms		No. Trucks on Farms		No. Trucks on Farms	
County	1920	County	1921	County	1920	County	1921
Adair	89	Adair	196	Adair	150	Adair	184
Adams	59	Adams	121	Adams	30	Adams	31
Allamakee	36	Allamakee	40	Allamakee	56	Allamakee	76
Appanoose	23	Appanoose	30	Appanoose	90	Appanoose	127
Arthur	183	Arthur	221	Arthur	48	Arthur	62
Benton	112	Benton	129	Benton	67	Benton	101
Black Hawk	75	Black Hawk	99	Black Hawk	25	Black Hawk	43
Boone	82	Boone	99	Boone	36	Boone	43
Bremer	38	Bremer	56	Bremer	62	Bremer	129
Buchanan	29	Buchanan	38	Buchanan	109	Buchanan	141
Buena Vista	106	Buena Vista	113	Buena Vista	80	Buena Vista	106
Calhoun	24	Calhoun	40	Calhoun	125	Calhoun	153
Cass	30	Cass	196	Cass	95	Cass	106
Cedar	153	Cedar	174	Cedar	63	Cedar	90
Cerro Gordo	243	Cerro Gordo	272	Cerro Gordo	91	Cerro Gordo	82
Cherokee	46	Cherokee	51	Cerro Gordo	21	Cerro Gordo	28
Chickasaw	27	Chickasaw	61	Chickasaw	60	Chickasaw	60
Clarke	39	Clarke	30	Clarke	157	Clarke	64
Clayton	37	Clayton	64	Clayton	70	Clayton	118
Clinton	38	Clinton	69	Clinton	128	Clinton	162
Crawford	168	Crawford	271	Crawford	50	Crawford	75
Dallas	153	Dallas	215	Dallas	64	Dallas	132
Davis	27	Davis	39	Davis	12	Davis	18
Decatur	47	Decatur	44	Decatur	10	Decatur	15
Delaware	26	Delaware	34	Delaware	10	Delaware	15
Des Moines	42	Des Moines	64	Des Moines	50	Des Moines	75
Dickinson	21	Dickinson	27	Dickinson	64	Dickinson	132
Dubuoque	70	Dubuoque	79	Dubuoque	150	Dubuoque	184
				Dubuoque	30	Dubuoque	31
				Dubuoque	56	Dubuoque	76
				Dubuoque	90	Dubuoque	127
				Dubuoque	48	Dubuoque	62
				Dubuoque	67	Dubuoque	101
				Dubuoque	25	Dubuoque	43
				Dubuoque	36	Dubuoque	43
				Dubuoque	62	Dubuoque	129
				Dubuoque	109	Dubuoque	141
				Dubuoque	80	Dubuoque	106
				Dubuoque	125	Dubuoque	153
				Dubuoque	95	Dubuoque	106
				Dubuoque	63	Dubuoque	90
				Dubuoque	91	Dubuoque	82
				Dubuoque	21	Dubuoque	28
				Dubuoque	60	Dubuoque	60
				Dubuoque	157	Dubuoque	64
				Dubuoque	70	Dubuoque	118
				Dubuoque	128	Dubuoque	162
				Dubuoque	50	Dubuoque	75
				Dubuoque	64	Dubuoque	132

WALLACE'S FARMER
God Farming, Clear Thinking, Right Living
A Weekly Journal for Thinking Farmers
 DES MOINES, IOWA

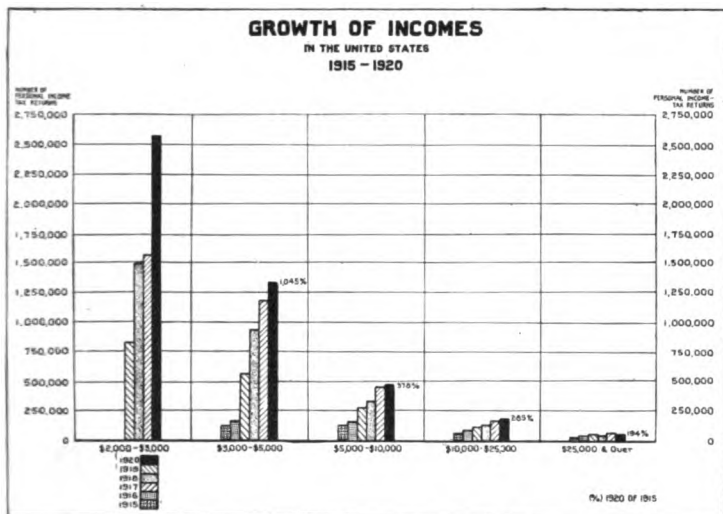
Total for Iowa... 10,788

EXHIBIT 71.—Dot treatment used to indicate impressively the distribution of trucks in a prosperous Mid-western state.



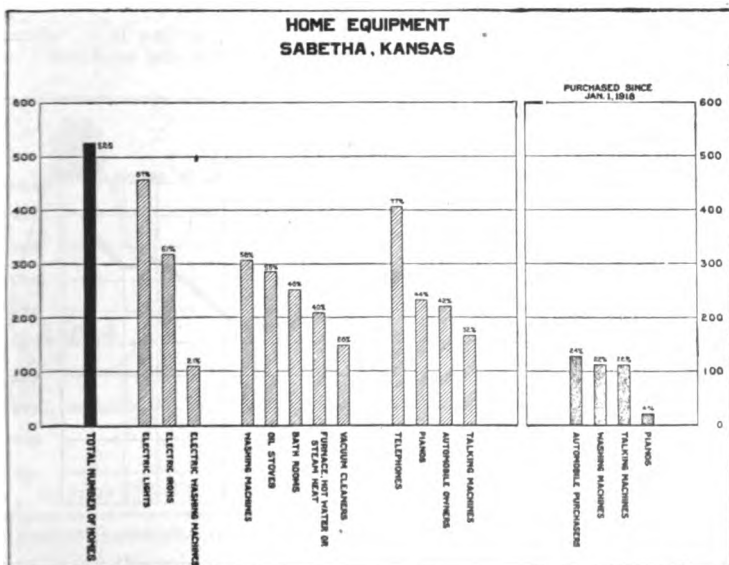
(Courtesy of the Curtis Publishing Company)

EXHIBIT 72.—Chart of the simplest character that, nevertheless, shows the rate of increase in high school, college and university enrolments during a thirty-year period.



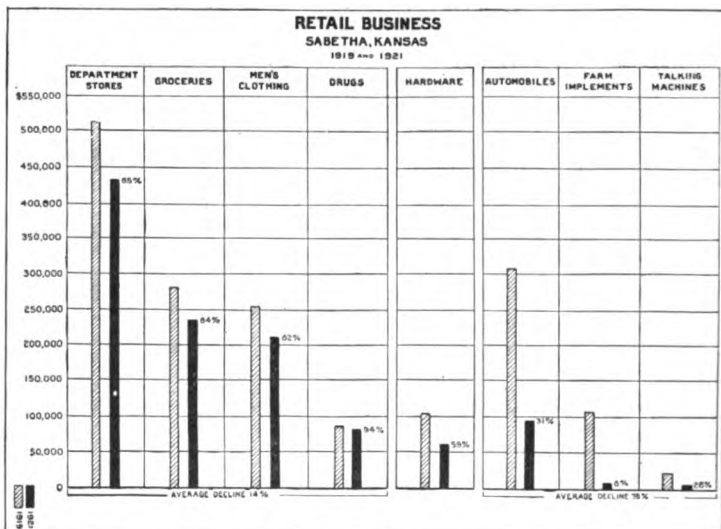
(Courtesy of the Curtis Publishing Company)

EXHIBIT 73.—Chart that shows at a glance the growth of incomes of various sizes during a 5-year period. As indicated, a slight change in the lining or shading of the various blocks distinguishes the different classifications clearly while bringing them close together and indicating the differences sharply.



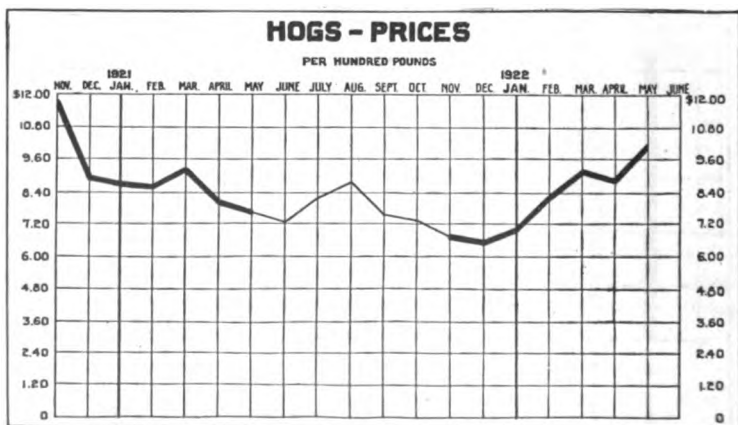
(Courtesy of the Curtis Publishing Company)

EXHIBIT 74.—Another compact method of charting both the total purchases and the percentage of homes purchasing a dozen different kinds of home equipment. It is interesting, in this table, to trace the growth of the talking machine in sales, as compared with pianos, since 1918. Previous to



(Courtesy of the Curtis Publishing Company)

EXHIBIT 75.—Method of charting that shows in compact form the comparative sales in different periods of eight different groups of merchandise in a typical mid-Western town. The method indicates not only percentages but total sales in dollars. Observe the remarkable decline in a “slump period” in sales of automobiles, farm implements and talking machines.



(Courtesy of the Curtis Publishing Company)

EXHIBIT 76.—A convenient chart method of tracing rise and fall of one commodity by months and years. By arranging prices vertically and showing the months and years horizontally it is easy to see at a glance the value at any given period.

Growth of Residential Lamp Demand 1915 - 1926

(Numbers of Lamps)

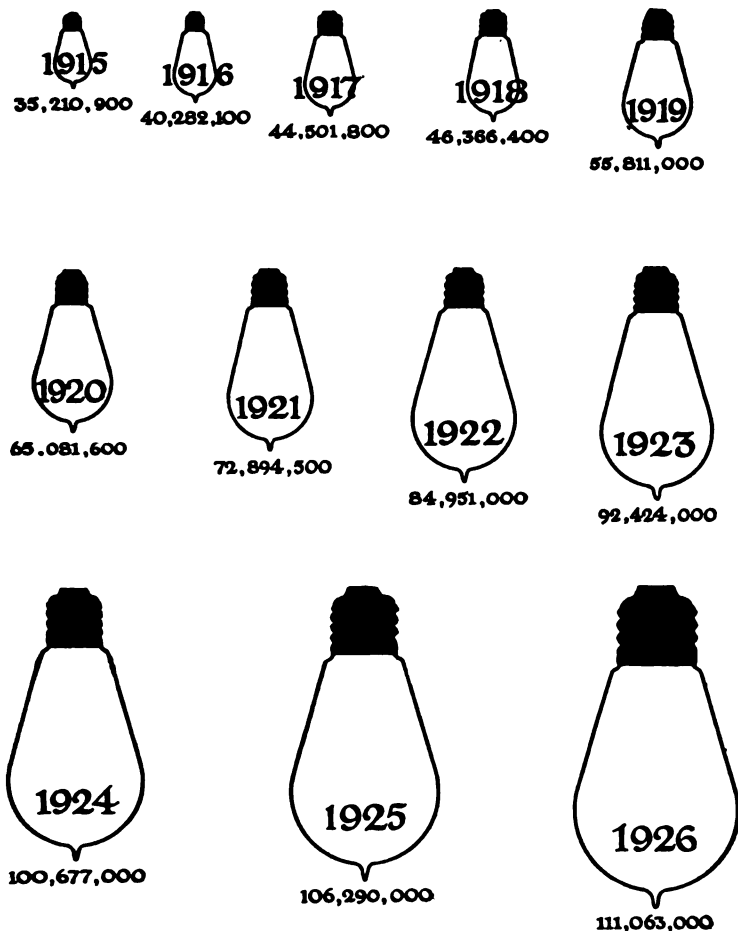
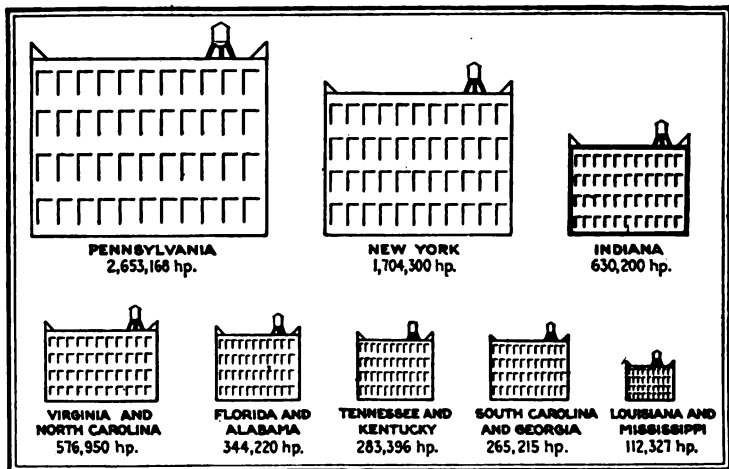
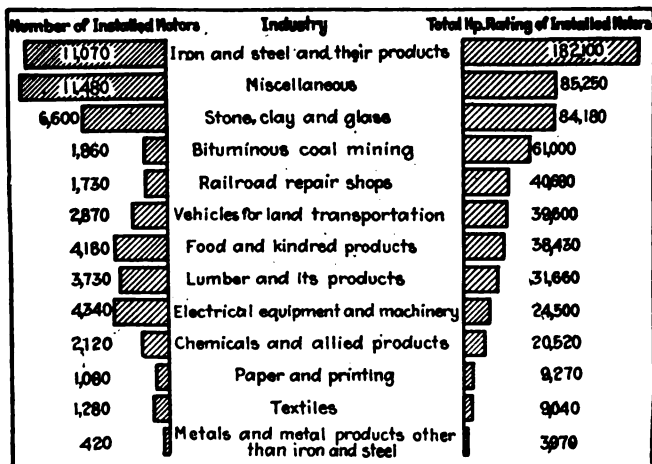


EXHIBIT 77.—Effective method used by the National Lamp Works in visualizing to its retailers the sales of the past and the sales of the future, based on comprehensive statistics of residential building.



(Courtesy of Electrical World)

EXHIBIT 78.—Ingenious use of a building in different sizes to illustrate the comparative showing of various states in electrical power.



(Courtesy of Electrical World)

EXHIBIT 79.—Concise chart showing number of motors and horsepower totals in the principal industries.

\$1,500 Tractor or Motor Truck, Measured in Wheat, Cotton and Hogs

Showing the relative quantities of these products required to purchase a \$1,500 Tractor or Motor Truck at the outbreak of the European War and September, 1918.

These figures can be applied to other articles. For instance:
 \$150.00 Engine is One-tenth
 50.00 Range is One-thirtieth

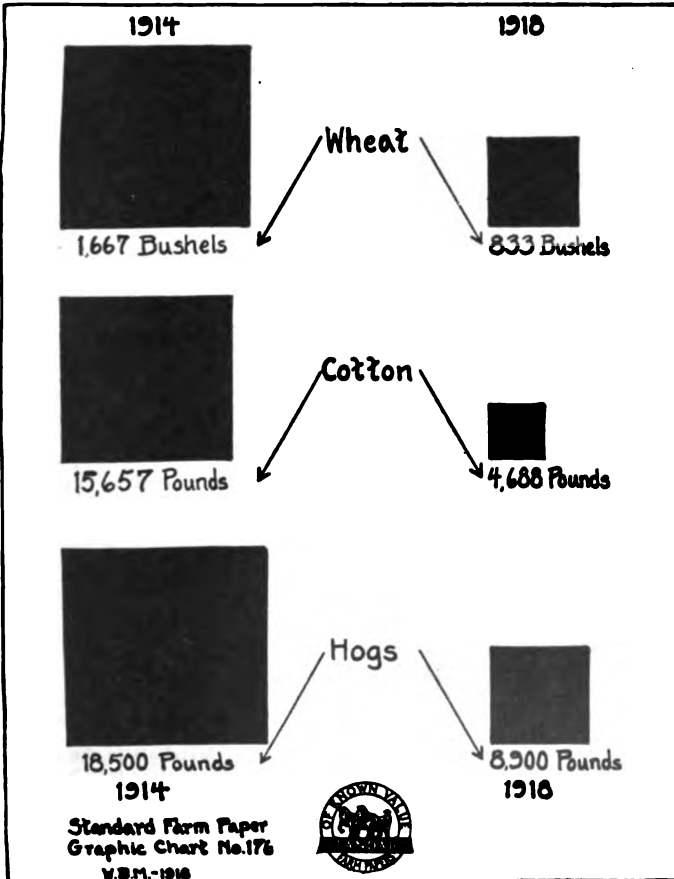
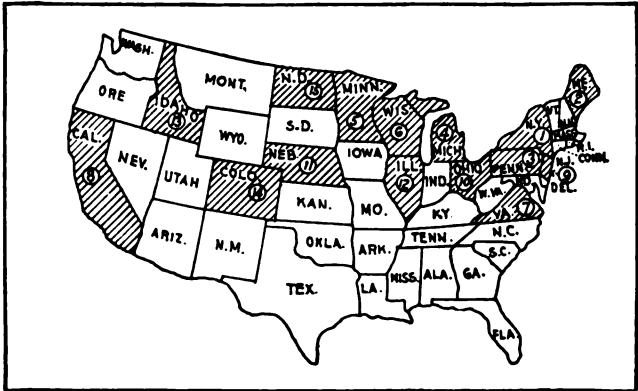
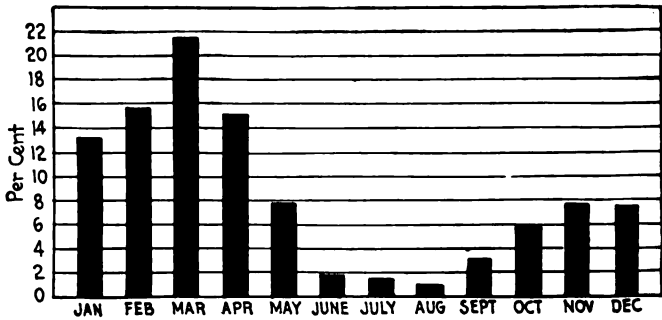


EXHIBIT 80.—Use of squares of different sizes to depict impressively the buying power of the farmers in two periods.

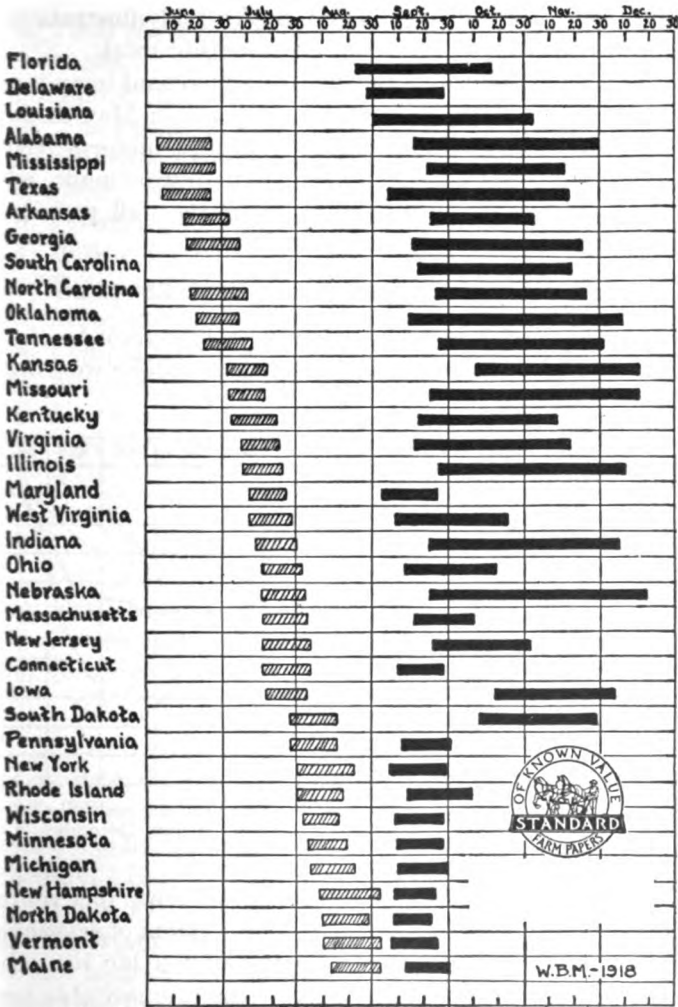


Map Showing Geographical Location of the Fifteen Leading Potato States Which Produced Over 69 Per Cent of the Total 1921 Crop. (The Rank of Each State is Indicated by the Numeral.)



Seasonal Advertising of Sprayers and Spraying Materials in the State Farm Papers Covering these Fifteen States. Monthly Use of Space by Spray Advertisers Expressed in Percentages of the Total Space Used Throughout the Year. (Based on Advertising Record Company's Report.)

EXHIBIT 81.—Charts from the Standard Farm Papers, giving an instant picture of the potato-producing states of the Union and also indicating graphically the promotional season for sprayers and spraying material.



Explanation:
 = Oats
 = Corn

Standard Farm Paper
 Graphic Chart No. 179

EXHIBIT 82.—A graphic representation of how the harvesting season, and consequently the sales season for harvesting machinery, varies in the United States. Many sales campaigns are untimely because not based on easily obtained data of this kind.

in different parts of the United States and illustrate how conditions or efforts may affect the monthly total.

The dash line indicates the sales of a merchant in an industrial city, where sales drop to a low point in May and October. The dotted line indicates the most uniform record. In this case special efforts to keep sales up were made, while in the first case the merchant accepted the dull periods as something to be endured without resistance.

SALESMEN'S, DEALERS' AND OTHER RECORDS

Unless the sales manager maintains live records of the activities of his salesmen or sales agents, he will be working to some extent in the dark.

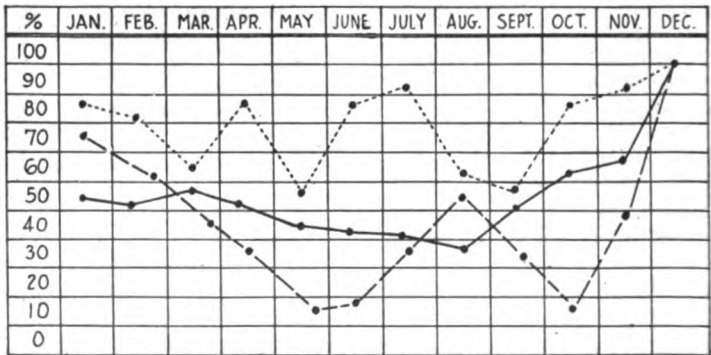


EXHIBIT 83.—Simple way of showing by chart the rise and fall of three different sales records month by month. In this business December is the peak month and is used as the standard or measure.

Salesmen's Records.—It is difficult to set down in a volume of this kind anything like a model record system of salesmen's activities, because what would be ideal for a life insurance company might be cumbersome and entirely unsuitable for a manufacturer of jewelry. Some of the items that are covered in the record of leading sales organizations are the following:

1. Calls made—daily, weekly, monthly, yearly.
2. Old customers called on.
3. New customers called on.
4. New territory covered.
5. Old territory covered.

6. Total sales, by items, where various kinds of goods are sold.
7. Selling expense—separate figures as to different items and general totals.
8. Traveling expense and hotel expense.
9. Credit losses.
10. Percentage of collections, including time factor.
11. Rating on training system or course used by concern.
12. Days worked.
13. Miles covered in automobile and mileage cost.
14. Complaints adjusted.
15. Advertising used advantageously.
16. New customers secured.
17. Record on reports.
18. Record on attention to correspondence.
19. Energy in following up leads.
20. Window-displays installed.
21. Lectures or moving picture shows handled.
22. Exhibitions or demonstrations given.
23. Percentages of quota attained.
24. Records in contests.

This record is made up from correspondence, the salesman's reports, special reports from his field, information brought in by him when he comes to headquarters, and so forth. It is necessary to have enough clerical aid to handle this as a regular procedure. Extreme care should be taken not to begin with a cumbersome system. Some information that looks theoretically important will be used by no sales department when it comes to actual practice.

Checking up on the Calls of Salesmen.—A report of the Business Research Bureau of New York University shows that in the coffee-roasting and grocery trades about 50 per cent of the wholesalers have some method of making a check on the calls made by their salesmen, while the other half are content to make their check on the final results, or total volume of sales.

The methods of checking up these calls are from the daily or weekly reports of the salesmen, which should give:

1. Customers not seen, and the reason.
2. Customers seen who did not buy, and the reason.

An appropriate letter from the house to such customers not only helps to build up good-will, but will, in many cases, result in actual orders.

Another method of checking up is against the salesman's route list. By this method, orders are checked against customers' lists each month. One wholesale grocer keeps a card index of his customers by towns. Each customer receives a letter, just prior to a visit from the salesman, and the salesman receives a copy of the letter. While rather expensive, this plan has proved effective.

The Bureau reports further that it was surprised to find that many firms do not keep any check on inactive accounts—that they have a hit-or-miss plan that in some cases puts the burden on the credit department, in others on the sales department, or on the individual salesmen. A few firms take an occasional glance at ledger accounts, as a check, while others check up accounts every six months.

Dealers' Records.—Where the plan of the business is to sell through dealers, there should, of course, be records that show at all times the amount of sales to the dealers or retailers, also the sales to jobbers or wholesalers, if the plan is to sell through these. Such totals are ordinarily grouped by calendar months but are often shown by weekly periods. Summaries of these reports will show yearly, or perhaps quarterly, totals. These reports are needed for comparison of the sales of competitors to the trade in the same territory.

Dealer records may often, with advantage, show the general standing of the dealer, the merchandise he carries, and the kind of equipment he has. They may show the kind of supplies furnished by the advertising department, the dealer's activity in the use of such material; in cooperative effort, and so on. Such a record, if kept up from time to time through data from correspondence and salesmen's reports, will become a good picture of the dealer when it may be necessary to correspond with him or to have a new salesman get the facts preliminary to his first call.

as well as sales records of individual salesmen, as compared with the purchasing power of the city, or other territory. This chart is submitted as an example from the Babson Statistical Organization, Inc. This organization sets forth that it is usually possible to give the purchasing power, or the basic prosperity of a city, with 95 per cent accuracy. Plotting of a firm's total sales in conjunction with the growth of the

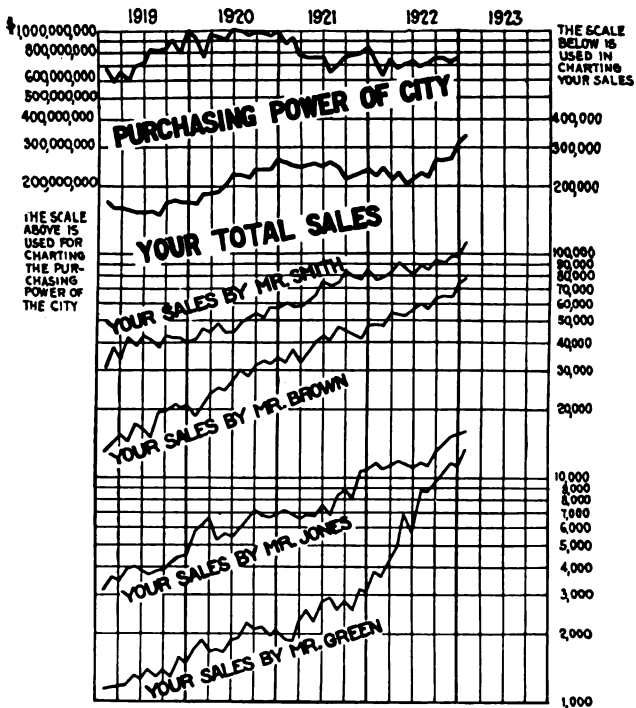


EXHIBIT 85.—Chart showing total sales as related to the purchasing power of city, also the comparative efforts over a period of years of a number of salesmen. Prepared for this volume by Babson's Statistical Organization, Inc.

purchasing power of a city is a constant reminder of whether or not the progress of an organization is keeping pace with the possibilities in the territory. In the example shown in Exhibit 85, total sales have been fairly uniform with the purchasing power of the city, but two of the men—Brown and Green—have been increasing their sales in a recent year at a more rapid

rate than the other two—Smith and Jones. Smith is the “high” man in volume but the volume has not very materially increased in the period of a year.

This same method could be used to visualize the growth, or lack of growth, of the sales in different products that make up a sales total. In place of the lines indicating the records of the different salesmen, the plotter may use similar lines to indicate the sale of products A, B, C, D, etc. By this method an organization can get an instant picture of the relative record of the various products sold, as compared with the total sales.

Instance of Thorough Dealer Records.—One national sales manager maintains a card index record of customers on which, in addition to the usual useful trade information, is listed data of this kind:

1. Nationality of head of the firm
2. Age
3. Church, club and secret society connections
4. Date account was established
5. Drawing radius of town
6. Character of store
7. Important departments
8. Use of newspaper advertising
9. Interest in-dealer helps
10. General attitude toward the house
11. Hobbies, recreations or particular interests.

Furthermore, the large card used shows a picture of the store and one of the proprietor. It is said that the retailers are usually pleased to comply with the request for the pictures, and these aid in judging the type of man with whom the firm corresponds, and his ability as a storekeeper. The store views show at a glance how the windows are adapted for display, whether the agency sign is exhibited, and numerous other details.

All this information is gathered in such a way that it brings home to the merchant the more intelligent use of advertising, window- and merchandise-display, and better selling methods generally. A typical result is quoted. A Mississippi dealer wrote to this firm:

Please substitute the enclosed picture for the one you have. Since I mailed you the last print I have remodelled my store front, put in new window backgrounds and have taken your advice to stick up your agency sign.

The details about the dealer's nationality, hobbies, recreations and particular interests are occasionally very helpful. A little book about golfing, sent to one who is an ardent golfer, is appreciated, but such attention would be lost on one who did not play golf. News items and general articles are sent out freely in accordance with this filed knowledge about the customers' interests.

This firm uses code-marks on its cards to denote the retailer's customs or characteristics.

- A indicates that the customer is crabbed;
- B that he is a chronic kicker;
- C that he indulges in sharp practices—is in the habit of deducting for expressage, doubtful damages and extra discounts;
- D that he is a prolific letter-writer;
- E that he is a "live wire" and strong for advertising;
- F that he is a big man in his town—and likes to be reminded of the fact.

Even the knowledge of a man's age can be made valuable in correspondence. What would be appropriate in a letter to a young man would not fit the conditions where the retailer is an elderly man of the conservative school.

The travelers for the firm here referred to (manufacturers of boys' clothing) see the retail dealers only two months in the year. The only contacts in the other ten months are letters and the advertising in periodicals. Hence, an unusual file is required and has apparently justified its expense.

(Printers' Ink, April 10, 1919)

Helpfulness of a Territorial Record for Salesmen.—The Fuller Brush Company maintains what is known as a Territorial Record. This gives the name and address of each salesman's customers and the columns show the number of products

sold to each, as well as the amount of each sale, the number of demonstrations made daily, the number of homes in which it was possible to demonstrate, and the number of customers who were not at home.

Such a record makes self-evident to the salesman where his work is defective. If, out of twenty-five customers, he makes sales to only ten, a check-up with the general records of the company shows that his manner of demonstration and method of selling are ineffective. If he makes a sale to almost every customer, but his total of sales in dollars is below the average, he knows he must exert greater effort to sell a larger quantity on each order.

From the Territorial Record Card, the salesman makes out his Daily Record Card and this is transcribed at the home office into a Daily Report Book. Thus, the sales manager has a unified and concrete account of the salesman's performance and can use it as the basis for suggestions for betterment of his work.

For the ready distribution of the goods there are a number of warehouses. The records of actual sales from the warehouse and those reported by the salesmen check each other. Duplicates of the salesman's orders filled from the warehouse are sent to each branch manager and the figures on these orders are recorded in the Daily Report Book. On the Daily Report Sheet the indication of the number of brushes given as gifts must tally with the number of demonstrations the salesman makes, otherwise the salesman is not doing his full duty. The number of premium brushes a salesman gives must correspond with the number of sets recorded sold.

Transcribed records are made with black and red ink, the red for showing up deficiencies. When these deficiencies warrant discussion, they are taken up with the assistant branch manager, who in turn brings them to the attention of the salesmen having such deficient records.

(Sales Management, October, 1922)

Record System Maintained by a Motor Sales Company.—A Boston motor sales company maintains a complete card index of the information contained in the salesmen's daily reports. Each branch manager has a record of the salesmen's daily

accomplishments, which he forwards promptly, in duplicate, to the home sales office. This is a daily barometer of the business and enables the executives to take prompt action on any important matter.

The salesmen make out their daily reports in triplicate; one for the general sales manager, one for the sales promotion department, and the third for file in the branch sales office. These daily report forms (Exhibit 86) require information as to the prospective purchaser's name, address, business and telephone number. A series of key numbers is provided, so that much of the usual information can be given quickly, such, for example, as "Is he a new prospective customer?" "Has he something to trade in?" "What model interests him most?"

From these daily reports is compiled all the information required for two sets of filing cards—Prospective Purchaser's Card and User's Card. There is also a New Prospective Purchaser's Report, which is made out after the salesman makes his first call. From this report is obtained the necessary information for starting the record.

The New Prospective Purchaser's Report is made out in duplicate, one copy remaining at the branch sales office, the other going to the general sales manager. It requires, besides the usual information, facts about the rating of the prospective purchaser and his truck requirements. The record card carries the same information and across the top the numbers for the days of the month. To indicate date of salesman's next expected call upon the prospect, a metal tab clips the date.

On the reverse side of the prospective purchaser's record card shows important data about each call and the dates when sales-promotion literature was sent.

The cards maintained for records of old customers or users show the same information as that contained on the cards of prospective purchasers, but the information about truck equipment applies, of course, only to the trucks sold by the company, unless, perchance, the user has several different kinds of trucks.

NORTHWAY MOTORS SALES CO.

Boston, Mass.

Salesmen's Daily Report

..... Branch Date..... 19.....

Signed..... Signed.....
Salesman Branch Sales Manager

This copy to General Sales Manager

1	2	Name	Business
3	4	Address	'Phone
5	6	9	
7	8	10	11
1	2	Name	Business
3	4	Address	'Phone
5	6	9	
7	8	10	11

7	8	10	11
---	---	----	----

Key: 1—New Prospective Customer. 2—Old Prospective Customer. 3—Interviewed Personally. 4—Interviewed by 'Phone. 5—Corresponded with. 6—Out. 7—Will See Again. 8—Has He Something to Trade in? 9—Name of Person You are Dealing with. 10—What Size Does He Want? 11—What Truck Does He Like Best?

EXHIBIT 86.—Top and bottom parts of a daily report form used by salesmen of the Northway Motors Sales Company in reporting all calls—whether on new or old prospective customers. The original sheet is large enough for recording the average day's work. Eleven key numbers save the salesman some writing, as he can merely check or put a ring around such an item as No. 1, 2, 3, etc.

A salesman who fails to repeat his call upon a prospective purchaser within a month loses his opportunity to some other salesman at the branch, because the card is, at the end of that time transferred from his list to a general file where it becomes the choice of any salesman. The man who makes the sale gets the commission. Exhibit 87 illustrates further the sales methods of this Boston organization.

Because of the established method of working from such a file the salesman always knows the schedules of his calls and the sales executive can confer with him as to ways and means of expediting the sale.

(Summarized from *Administration*)

Daily Analysis of Orders by a Grocery Jobber.—The accounting department of Charles Hewitt & Sons Company, a jobber of groceries, uses a method that enables the firm to be informed daily of its sales costs. This concern sets forth that the record system here described effected a saving sufficient to cover the employment of three new salesmen. The following illustrates the method.

A Hewitt salesman sells a dealer an order amounting to \$130.45. When this order is received in the shipping room, the articles called for are collected and the items checked. The order is recorded on the customer's account, and he is billed for \$130.45, \$83.95 to be paid in thirty days and \$46.50 in sixty days. Then the order is passed on to the profit department, where it is studied and all items are checked on a sheet listing the thirty-one commodities handled. These items appear in the column headed "Commodity." The next column is headed "Sales," the next, "Profits." The profit on each item is figured at once and recorded. In this instance, the record will show the order of salmon amounting to \$17 and the profit \$2.55, and so on down the line, finally proving the total of \$130.45 and obtaining the total amount of profit, \$16.70. Then, the order is credited to the salesman's record. A separate sheet is maintained for each man. This sheet is divided into six columns for the six days of the week and a total column for carrying over. The salesman's sheet also lists the thirty-one items carried by the jobber. At the end of a month, his total sales and profits are entered in a


1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
Branch _____																									PROSPECT CARD					
Name _____										Salesman _____																				
Address _____										Phone _____					Date _____ 19__															
Business _____										Source _____					Rating _____															
Camp or Truck Office _____																														
Man to see <input type="checkbox"/> Pres. _____										<input type="checkbox"/> Secty. _____																				
<input type="checkbox"/> Trans. _____										<input type="checkbox"/> Buyer _____																				
Man in charge of Transportation _____															Feeling toward Northway _____															
Size of truck interested in _____															Body Type Required _____					Trade? _____										
Make-Model _____										Asked _____					Appraised _____					Terms? _____										
PRESENT TRUCK EQUIPMENT																														
UNIT	MAKE	CAPACITY	TYPE	AGE	PERFORMANCE																									
Quality Always Pays																														
.....																														
RECORDS OF CALLS																														
DATE	INTERESTED	ASKED FOR DEMONSTRATION	CHANCE TO CLOSE	RESULT OF INTERVIEW																										
Date Recourse cont. _____																														

EXHIBIT 87.—Face and reverse of complete record form for prospective customer. A somewhat similar record is maintained for each present customer. The principal difference between the two forms is that in place of the space for "Present Truck Equipment" there is a space on the front of the user's card for "Northway Truck Equipment" and also a small space on the reverse side for "Miscellaneous Truck Equipment." On the user's or customer's card the two lines on the front of the form, "Size of truck interested in" and "Make-Model," are omitted. The follow-up dates are also omitted, because there is no scheduled follow-up for old customers.

Summary Report for the month. Should a customer return any goods, the amount and profit are charged off, to obtain the salesman's net sales and profits during the month. The salesman's percentage of profits during the month is figured and entered after the amount of net sales and profits.

It is a very simple matter, through such a record, to catch any errors that may have been made anywhere along the order's line of progress. That very vital information as to what items a salesman is pushing most and what profit he is earning for the company is instantly available. The record may show that he is closing an impressive total of business without concentrating on the products that earn good profits. If so, he can be informed of that fact and requested to change his tactics before he reports in person at the home office.

(*Sales Management*, September, 1921)

Lost Order Form of Paraffine Companies, Inc.—Proceeding on the basis that it is just as important or even more important, to look after lost orders as it is to take care of real orders, the Paraffine Companies, Inc., of San Francisco, Cal., have what is termed a "Lost Order" form. A reproduction of this form is shown in Exhibit 88.

Every time a salesman fails to secure an order, one of these forms is filled out in triplicate. One copy is retained by the salesman, another is sent to the district sales manager, while the third goes to the general sales manager, who completes the record.

The value of such a procedure lies in the fact that in filling out a form of this kind the salesman must, of necessity analyze the case under consideration. This enables him perhaps to get at the root of the trouble, or to lay bare weaknesses somewhere along the line of his approach, his argument or his sales tactics that he would not otherwise be conscious of, simply because he might treat the case as a matter of course if he were not required to make report to headquarters.

In addition to this, the district sales managers and the general sales manager will be able to get from these reports a fair estimate of the ability or shortcomings of the individual

Prospect's Name.....
 Address.....
 Buyer's Name.....
 Date of Name of
 Quotation..... Commodity Quoted.....

LOST ORDER

Will it come up again?.....
 When?.....
 Have you dated it for follow-up?.....
 Who secured order?.....
 Date order was placed.....
 Who made the order immediately preceding this one?.....

WHY?

1. **QUALITY.** Could competitor make better merchandise?

2. **DELIVERIES.** Could competitor actually make better deliveries?

3. **PACKING SUGGESTIONS and ART DESIGN.**
 Were our ideas and recommendations not as practical and valuable in the prospect's mind?

4. **Having answered above, now state in your own way just why the order was lost (be frank and brief).**

5. **If it was a question of price, state actually what the difference was found to be.**

Respectfully submitted,

Northern District
 Central District
 Southern District
 Export District
 (Check Which One)

.....
 Sales Department

men of the organization and thus be able to render more intelligent cooperation.

B. L. Stilwell, of the Paraffine Companies, Inc., says of the form:

These reports have furnished us with valuable facts and have caused radical changes in our sales approach and methods of handling orders. The information sent in by the salesman is especially valuable the next time we are dealing with the prospective customer whose business we lost, because we can take special care not to "fall down" on the point that lost the previous sale.

USE OF MAP, TACK AND CORD SYSTEM

The use of maps, tacks and cords, in various colors, shapes and sizes, may indicate clearly many different kinds of sales activities and results. Maps may be used, either as wall maps or in sets mounted in shallow drawers, so that they can be filed compactly. The following descriptions are of some of the methods most commonly adopted.

Methods of Using the Map, Tack and Cord System.—Different kinds of contracts are indicated on maps by a New York State manufacturing concern, according to the following method:

Red tack.	Dealer with complete line
Blue tack	Harvesting machines
Yellow tack	Tillage tools
Black tack.	Manure spreaders
Striped tack	Outside lines
White tack.	Point is covered by a dealer located at another address

A manufacturing concern that sells through dealers and distributors uses the following system of tacks and cord:

A brass tack with a round head designates the dealers, while a brass tack with a square head is used for distributors. The company has a map-tack installation which covers every state in the Union so that by using these brass tacks on the maps, it can make an effective survey of its outlets without the loss of time.

When exclusive territory is allotted to a distributor, it is marked off with a red cord. The boundaries of territory from which orders and

inquiries are referred to dealers and distributors are marked off with blue cord.

Besides the brass tack method already mentioned, another series of tacks is used with effective results. A red cloth tack, for example, indicates business in the town marked by it. A black tack beside it indicates that a fair volume of the company's products is in use in that town. A blue tack shows that the town has been worked by a salesman during the current year, while a yellow tack indicates that it has been worked in some previous year.

A great many sales organizations use colored cord and tack systems to indicate the route followed by each salesman. This is a very graphic method of showing just the territory which is covered and which is not covered by the salesman's regular

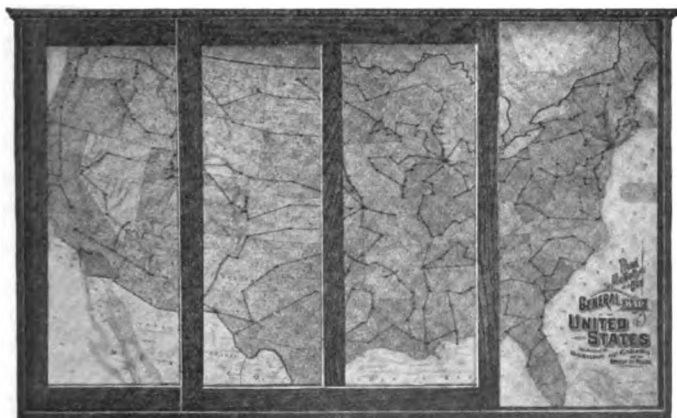


EXHIBIT 89.—Wall map in sliding glass frame. The tacks and cord are used in this example to indicate the routing of the various salesmen.

trips. The general practice is to use the same color of tack and cord for a given salesman. Jones, for example, is represented by blue tacks and blue cord; Smith by red tacks and red cord, and so on. Exhibit 89 indicates a map laid out in this manner. This illustration shows a map with sliding glass doors to protect the map and tacks.

This system is one of almost endless variations. Where business is done with wholesalers, these are represented by a tack of distinct color and an instant's glance at the map shows where the representation exists. Such a system may

show very impressively where representation is lacking or where volume of sales is such that pressure is needed, and so on.

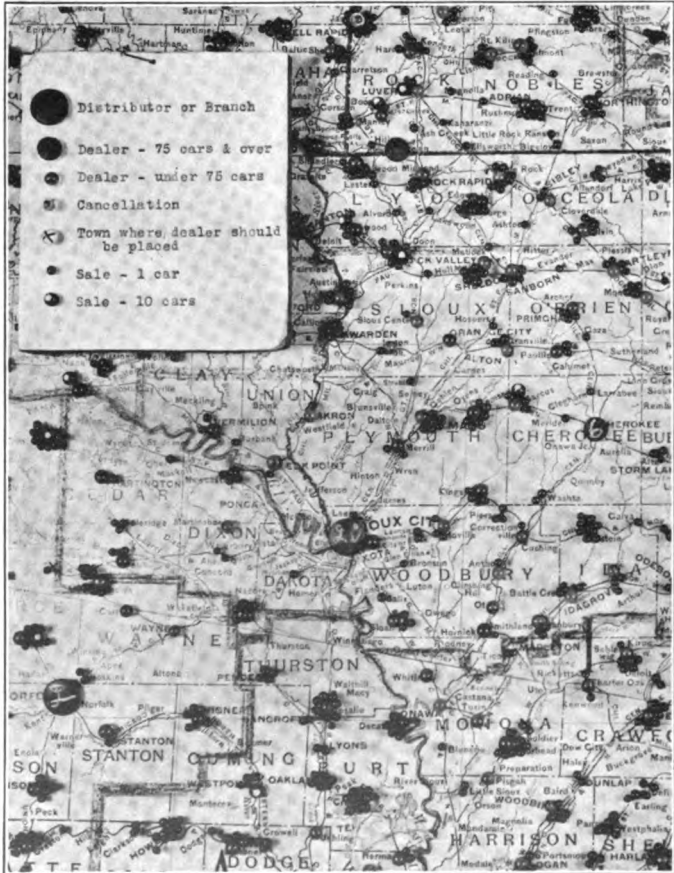


EXHIBIT 90.—Various sizes of tacks used on a state map to indicate the sales representation and the distribution of the product.

Exhibit 90 is a section of a large map and tack system used by an automobile manufacturer. As the exhibit in the upper left-hand corner indicates, different kinds and colors of tacks are used to set forth different kinds of information.

A small red tack indicates a retail sale. This is replaced by a red tack with a white center when ten cars have been sold at any one point.

A distributor or branch is represented by a $\frac{3}{8}$ -inch white celluloid rough-head tack on which retail sales are entered daily in pencil.

A dealer of seventy-five cars and upwards is represented by a $\frac{1}{4}$ -inch white celluloid tack, and sales are also entered on the head of this tack.

Dealers, selling agreements and other representation under seventy-five cars are shown by a $\frac{3}{16}$ -inch blue tack.

The sales are tacked from the original retail certificates which are detached from the steering wheel of the automobile and signed by the retail purchaser. Thus, every sale is reflected on the large graphic map.

Map and Tack Plan of a Large Manufacturing Concern.—A manufacturing organization with more than 1,000 salesmen and 140 sales agencies uses a large wall map of the United States and small colored tickets to indicate different kinds of information. A description of this system follows:

The sales policy of this concern is operated on the point system and a certain number of points, based upon an analysis of the territory to determine the probable absorption of the product over a given period, are allotted to each agency. The agency is expected to attain the allotted points, which, in reality, represent the volume of sales.

It often happens that some agencies go far above the quota, others exceed the allotment in a moderate way, and some fall below the set standard. Three classifications are made to cover these conditions, and in order to show them on the big wall map, tickets like the specimen on page 262 are hung on to small hooks screwed into the map at the agency points. These tickets are made in three colors—blue, white, and salmon. The blue tickets indicate the agencies above 200 per cent; the white, show the agencies that have moderately exceeded their quota, and the salmon, the agencies below the quota. These tickets are changed every month by the sales manager himself.

In addition to this graphic exposition of the results accomplished by the agencies, a series of different colored tacks is used. Large white celluloid tacks are used to designate the quotas. Striped tacks show the service stations. A blue tack indicates an agency point; a red, no agency; a yellow, sub-agency.

MEN.

POP. PER MAN

%

A PTS.

B PTS.

C PTS.

INCREASE

% ON TRIAL

TRIALS RAT.

The country is divided into five districts which are shown on the map by heavy black lines. There are 140 agencies which are bounded by red lines. Thus, a complete bird's-eye view of the field is secured.



EXHIBIT 91.—Method of indicating branch offices by lettered stickers.

Textile Sales Manager's Method of Using Trade Map.—

A textile manufacturer who uses maps as a means of indicating his distribution uses state maps in a cabinet. He has adopted five different kinds of tacks to show the different outlets for his product. The list at top of page 265 indicates his system.

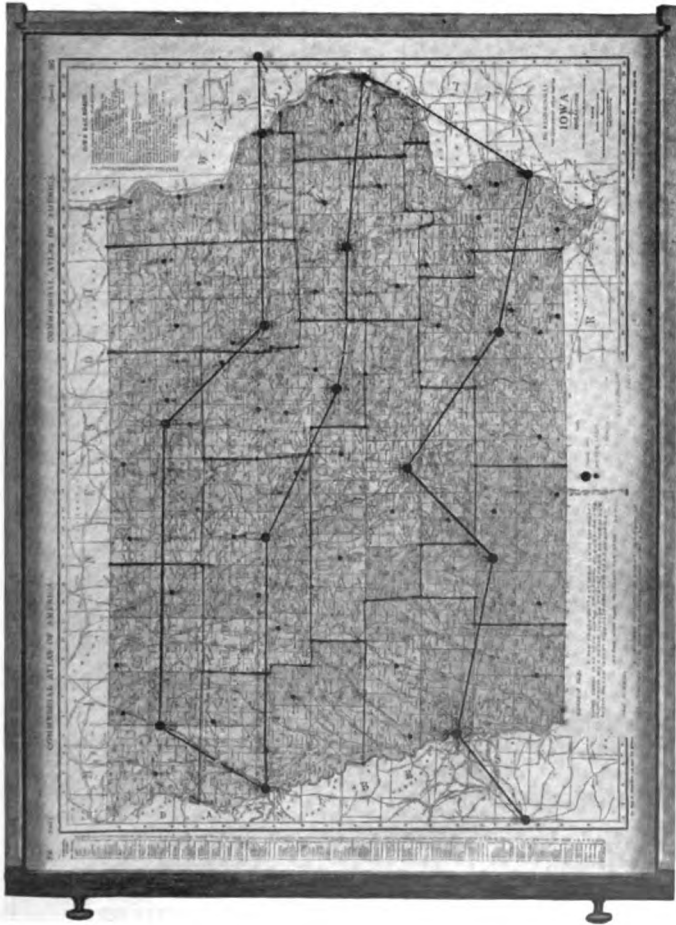




EXHIBIT 92.—Example of state map, mounted in a cabinet drawer. The two kinds of tacks used indicate different classes of accounts, while the cord represents boundaries of territories of the jobbers and the routes of the manufacturer's salesmen.

EDEXCO MARKING PINS


FOR PRODUCTION CHARTS OR MAPS




Series 300
Large spherical pin for display




Series 500
The Most Common Size used in this spherical head pin.




Series 600
For Contoured Maps or charts and holding territory or route card in place use this pin.




Series 8400
Glass Spot Pin. The spot is fused in the head of the pin. It cannot come off.




Series 5000
Enamel Spot or "Bliss" Pin. Spot is annealed on the glass. This and the glass spot pin photographed as a ring.




Series 5000 Special Markings
Enamel Spots can be furnished as a DASH or CROSS if desired.




Series 7000
On Wall Pin. Shape resembles oil well Derrick. Can be supplied with two-colored head.




Series 6300




Series 6100




Series 6400




Series 6200




Series 3650
Rough Surface Glass Pins to write on. Pencil will erase and ink can be washed off from these pins so they can be used again and again.




Series 3450




Series 3350




Series 3300




Series 6500




Series 6600




Series 3400




Series 3400




Series 3500



Series 3600




Series 550

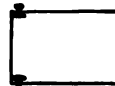


Series 650

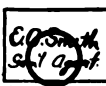
Numbered or Lettered pins made up to order in any of the 16 standard colors. Dark colors with white letters photographed as black circles enclosing the figures. Use size of pin admitting maximum number of figures required. These numbered pins used in sets 1-31 to indicate days of the month. Also alphabet sets A-Z.




Series 4500
Map Ring. Colored celluloid ring for slipping over head of pin to indicate additional feet.




Series 4000
Sheet Pins. Made of celluloid. One side glossy, one can be written on. Useful for indicating special attention or where a flag is preferred to a pin.



Series 680
Spiral Top Pin. Furnished with card in any of the 16 standard colors. Useful where much data must be written out.



No. 780T
Pale Line Pins. Tied with map cord to show power circuits on city plans or piping lines in a plant. Metal, two styles.



No. 780X
Pale Line Pins. Tied with map cord to show power circuits on city plans or piping lines in a plant. Metal, two styles.

Territory No. 1 Fully Developed.

No. 781

Large Label Pin for display work. Any copy printed on this in order. Can be furnished in any color.

THE GLASS PINS LISTED ABOVE ARE AVAILABLE IN 16 DISTINCT COLORS. THE COLOR IS FUSED IN THE GLASS AND IS PERMANENT. IT WILL NEVER PEEL OFF NOR FADE.

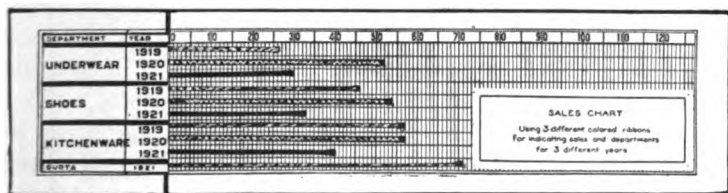
EDUCATIONAL EXHIBITION CO.
GRAPHICS HEADQUARTERS
DANIELS BUILDING, PROVIDENCE, R.I., U.S.A.

EXHIBIT 93.—A layout showing the many kinds of marking pins available for labeling charts and maps.

White tacks.....Sales Agents
 Plaid tacks.....Wholesalers
 Green tacks.....Haberdashers
 Red tacks.....Custom Shirt-makers
 Brown tacks.....Tailors

By using these five colors he can look at the map of any state and quickly see the extent and character of his distribution in that territory.

Branch Offices Indicated by Map and Tack System.—Exhibit 91 indicates how a map of the United States was marked with lettered stickers by a manufacturer to designate

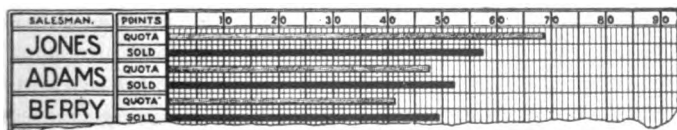


(Courtesy of Educational Exhibition Company, Providence, R. I.)

EXHIBIT 94.—The ribbon-bar method of showing yearly comparisons on sales of different kinds of goods. The ribbons, in different colors, are so arranged that they may be drawn to the proper point on the scale.

his branch offices. This facilitated the ready handling of inquiries and orders.

Jobber Accounts and Territory Indicated by Maps and Tacks.—Exhibit 92, showing the state of Iowa marked with



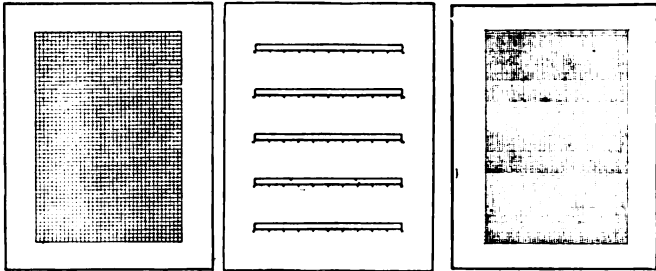
(Courtesy of Educational Exhibition Company, Providence, R. I.)

EXHIBIT 95.—Edexco ribbon-bar quota chart. By the use of two colors of ribbons, one showing the salesman's quota and the other his sales to date, his progress is graphically indicated. The ribbons are so arranged that they may be drawn easily to the proper point on the scale. The same plan may be used to show profits compared with sales, or any other comparison.

black tacks and cord, illustrates the method of showing jobber accounts and territory. This is a typical state map, mounted in a cabinet drawer in a complete map system, covering all

the states of the Union, which is in use by a manufacturer of paints and varnishes.

The large black tacks represent towns in which jobber accounts have been established by the manufacturer. The smaller tacks represent dealer accounts, established and supplied by the jobbers. The black cord represents the boundaries of different territories assigned the jobbers. Another line, representing a cord of another color, entering the state from the East, or right-hand side of the map and



(Courtesy of Educational Exhibition Company, Providence, R. I.)

EXHIBIT 96.—Three kinds of paper that prove useful in the making of charts. The first is simple cross-ruling; the second is known as "Bargraph" paper, with bars drawn to scale; the third is arithmolog paper.

leaving the state at the left-hand side, or lower left-hand corner, represents the route of the manufacturer's salesman calling on the jobbers.

The principal good derived from this system is probably a visualization of the dealer and jobber distribution and the ability to pick out undeveloped or weak spots in certain parts of the country. The system is also helpful in routing salesmen, and is consulted frequently in referring inquiries and orders to the jobbers who control the territory from which orders and inquiries emanate.

Exhibits 93, 94, 95 and 96 illustrate some useful means of preparing charts and maps.

SECTION VII

RECRUITING OF SALESMEN

A real task for the organization which needs a fair-sized sales force is that of finding the right kind of recruits and finding them with a minimum amount of effort and expense. When the need of the firm is filled by the employment of two or three men, the problem may be easily settled. When the number grows to fifty, a hundred, several hundred or a thousand or more, the undertaking is a continuous one.

The information bearing on the recruiting and selecting of men, from which this Section is compiled, is drawn largely from the experiences of a score or more of business firms as published in *Sales Management*, *Printers' Ink*, *Business and System*, or from experiences of business executives related to the author of the volume.

Why Good Salesmen Are Not Plentiful.—It is by no means easy to winnow the real salesmen from the mass of mankind. One reason for the number of mediocre salesmen is the prevailing idea that any one, with or without preparation, is qualified to take up selling work. The truth is that a salesman must be a thinker, able to apply a knowledge of philosophy and psychology and the principles and methods of selling. There are more "made salesmen" than "born salesmen" but there must be a good foundation to enable the sales manager to turn out a finished product.

Some Fundamental Requirements.—While no one can lay down a set of inflexible laws for selecting men who, with the proper training, can go out and make profitable representatives, still there are certain qualifications common to good salesmen that experience has taught sales managers to look for in those who apply to join their sales forces. Every sales manager must learn to build up a set of tests that will fit his particular need, but the variety of tests which follow,

employed by different sales managers throughout the country, may be found helpful as well as interesting.

Certain qualities must be outstanding in a salesman's personal appearance. His apparel must show good taste and it must be suitable to the locality in which he expects to sell. Foppish appearance in outlying communities, for example, causes resentfulness, unexpressed perhaps, but none the less damaging to results.

In general, it seems the rule to choose as salesmen those who convey the physical idea of virility, because it is held that men of impressive size or physical fitness have a certain magnetism. Even more important, however, are the applicant's mental and moral qualities.

Other things being equal, a salesman with pleasing voice and manner runs a better chance of making a good impression on the trade and securing business. The National Cash Register Company, in its course of training, gives particular attention to improving the speaking voice.

Irving T. Bush, founder and president of the Bush Terminal Company, New York, emphasizes the need of selecting men who have taken up the question of following salesmanship as a profession with enough seriousness to study the principles of salesmanship. There is a general tendency to demand men of this sort, as knowledge of these principles is regarded as a proper foundation to take up the specialized training of a particular line. Some organizations seek regularly recruits from salesmanship classes of the community or other communities.

Importance of Motive.—The motive that prompts the applicant to take up selling or the selling of the particular line he is applying for, is always a matter of serious consideration. Some sales managers put this first. Into this part of the question enters the history of the candidate's association with former employers. Careful investigation and questioning of the applicant on this point will probably disclose whether or not he is reliable, whether he has perseverance and tact, whether he knows how to control his temper, and what his personal habits are.

A man without any bank account of his own, especially if he is applying for a position that offers a good salary and has had previous experience in selling, is not regarded favorably by many organizations. Such a man may not only be without money but also may be in debt. Worry about personal finances may interfere with the enthusiasm and pleasing disposition that so often are needed. The man who has developed the habit of spending all he makes may create complicated situations for his employer by borrowing from acquaintances in the trade. When such a representative fails to return his loans promptly, the house may have no choice but to make good the money, when its customer reports the transaction. Such men may be able to sell goods, but their general lack of business ability in managing is likely to make them poor teachers in showing dealers how to sell goods.

Contrary to general experience, however, the Metropolitan Life Insurance Company has indicated that among their best salesmen are those who are forced to stick to their jobs because of lack of funds. Provided a man possesses certain other qualifications, this concern regards his necessity to make good as a decided asset.

Method Used by Bureau of Salesmanship Research.—The Bureau of Salesmanship Research, of Pittsburgh, has carried out studies which seem to show that men of extraordinary ability improve their sales with length of service, and that salesmen with lesser ability do not improve.

The plan of this Bureau is to map out certain requirements by which the eligibility of applicants may be measured. For this purpose, it is suggested that the sales manager take, as a basis, the traits and characteristics of the successful salesmen of his organization and use them as a gage. For example, for the standard of Appearance (“physique, bearing, facial expression, clothing, manner”) select him who ranks highest and give him 10 points. The man who ranks lowest in this estimate may be awarded 2 points. The intermediate man will be graded at 6 points.

On the quality of Convincingness (“tact, clearness and force”) types of men in the organization are graded just as in the ratings on Appearance.

With such a general chart as a guide, each applicant is called before the sales manager, who views him critically as he talks.

The applicant is scored first on his appearance. Perhaps he does not rank high enough to earn 10 points. So he is marked down to the 8-point standard. Is he as earnest and convincing a talker as the man in the organization who received 10 points? Possibly he is younger, rather self-conscious, about like the original type who was given 6 points. So he is graded accordingly. In the same way the applicant is graded for all the other points such as Industry, Character, and so on.

It is not recommended that the sales manager alone make the estimate of an applicant. He should be passed on to the general manager or some other executive and perhaps to a third or even a fourth interviewer, so that the final judgment may be a composite one.

This rating scale is similar to the one developed by the War Department as an index of efficiency.

Sales managers, in selecting new men for their organizations, are entirely too much inclined, if they act on their individual judgment, to make their pick on personal "hunches" rather than on a careful consideration of whether or not the man before them is fitted to do just what will be required. If a man is to cover small towns, then the fact that he is of the "small-town style" may make him at home in his work. "What is just the type of work that the new man is expected to do?" is the question. Therefore, the composite judgment may often be an effective way of getting away from personal bias.

Judging by Appearances and Characteristics.—Somewhat akin to the procedure just described is a method outlined by Helen Hysell, in *The Office Economist*, from which the following is quoted

This sales manager, who was once a purchasing agent, gives 10 per cent as the highest mark for the qualities which he lists under Appearances. They are those which are self-apparent and he checks these by numbering them from 1 to 10 as they impress him. In the first group are poise, personality, physical appearance, energy,

courtesy and general manner of approach. In an interview about a job, an applicant may be self-conscious, so when marking him for Poise that condition is taken into consideration. Personality is that something which makes an individual agreeable or disagreeable to one or affects one not at all. A man decidedly pleasing to the sales manager may not so impress a large number of buyers with whom the salesman comes in contact. So the sales manager tries honestly to judge from the viewpoint of a buyer. In judging physical appearance, the standard should be general neatness rather than good looks and good clothes.

From the candidate's general manner of approach are judged energy and courtesy. Energy may be too obtrusive and prove objectionable to buyers. Courtesy, too, should not be unnatural. Still other elements in the "general manner of approach are sensitiveness, lack of spirit, egotism and familiar friendliness."

Under Characteristics are considered "honesty, truthfulness, reliability, loyalty, willingness, breadth of vision, ability to see himself in the other man's place, regard for discipline, steady purpose, perseverance and persistence." A study of these characteristics would uncover any qualities not discernible at first glance.

Character Analysis in the Selection of Salesmen and Sales Managers.—A great deal of interest has been shown during the last eight or ten years in the selection of salesmen, and men for other responsible positions, by the character analysis method. Many organizations have adopted this method in whole or in part and they follow the practice of asking for photographs of applicants in different positions, putting them through searching inquiries and a variety of so-called intelligence tests.

This method, like other methods, undoubtedly has points of merit, but if carried to extremes is likely to be impracticable. The conditions in an army training camp are far different from the conditions that obtain in a modern sales organization.

One large tobacco company, after a long experience with this supposedly scientific method of selecting men, has dropped the plan as being impracticable and unnecessary. Most sales managers and higher executives who are looking for men able to do selling work or supervising work, are guided more by a man's record and his motives than by the contour of his face or the fineness or coarseness of his skin. As

one editorial writer, specializing in the field of selling work, says:

One of the most successful sales managers in the business today has the chin of a weakling, and the physique of a girl—but when it comes to creating selling ideas he is a wizard.

A well known sales manager, after many years' experience in the employing and training of men, says that he has established no rules or general guides as to judging character or personality that are worth much to him. Naturally, he would be alive to conspicuous faults of a candidate, whether the faults were slovenly dress, ill manners, poor speech, inability to listen well, sheepish or deceitful looks, or any other of the dozen common failings.

But he has learned that some men, who at the outset are timid or thin-skinned, through a powerful motive of some kind have been developed into good salesmen. He has learned that the quiet man, who cannot tell a joke well, can make a good record by his own natural methods when he starts out to work, if he is willing to learn, as well as the opposite type of salesman who is talkative in the extreme and a glib relater of anecdotes.

It is not the purpose here to condemn any method that has in it a measure of merit. Undoubtedly, the executive who knows the most about men is more likely to be accurate in his judgment and will choose men who will score a high batting average, as it were. An employer of long experience becomes keen in his selection of men, but he also learns to be liberal as to faults, conceding that there are often different ways of arriving at the same end. He, therefore, has no absolutely fixed standards, but is favorable to the plan of employing men of varying types, training or coaching them to follow as closely as possible along the course that has proved most successful in his particular business.

Six Questions Used by One Sales Manager.—One well known sales manager judges applicants by their way of answering the following questions:

1. Why do you think you can sell our line of.....?
2. What is your theory of advertising?

3. What kind of advertising, in your opinion, is the best for the merchant?

4. What have you done personally to help move merchandise from the retailers' shelves?

5. Why should I give you preference over the other men applying?

6. What salary do you think you could earn?

This sales manager is inclined to weed out immediately the men who make some such statement as that they can "sell anything." He believes such men usually lack stability. This manager's business is such that he can use no man who does not believe in advertising. Hence the pertinency of his second question. The third question gives the applicant an opportunity to display genuine knowledge. The fourth question brings to light his experience or ability in merchandising. If there is still doubt about the applicant's desirability, the fifth question calls on his resourcefulness to such an extent that it decides his employment.

Rating the Plus and Minus Qualities.—Richard E. Tucker has presented in *System* an ingenious list of plus and minus qualities that has proved useful to sales managers in helping salesmen to remedy their deficiencies and to understand unsuccessful salesmen. These are:

PLUS QUALITIES

Agreeable
 Dignified
 Loyal
 Willing
 Trustworthy
 Well-poised
 Fine appearance
 Broad-visioned
 Energetic
 Strong of personality
 Persistent
 Regardful of discipline

MINUS QUALITIES

Bad-tempered
 Grouchy
 Intemperate
 Variable
 Easily discouraged
 Jealous
 Sensitive
 Treacherous
 Lacking in spirit
 Egotistic
 Lazy
 Unambitious

Eliminating Weaklings by Citing Difficulties of the Job.—A well known national organization selling securities makes it a rule, when recruits for the sales organization are being interviewed, to depict the unpleasant side of the work—the hard

work required to get leads, the rebuffs that a man must be prepared to receive, and so on. If the candidate shows signs of weakness in the knees, he is excused without any great amount of time or expense being wasted on him. If, however, he is cheerful, despite the dark picture, and comes back with some such questions as, "Now that you have told me the bad side of the work, tell me what the good features are," he is regarded as being a possibility.

A somewhat similar method is followed by the Addressograph Company. One of the first things the candidate is shown is a model of the machine which he is expected to take around with him. He is invited to lift it and asked how he would like to carry that around with him a great deal of the time.

While, of course, it is not the object of these concerns to scare off men who would really make good salesmen, these companies have found by experience that it is unprofitable to waste time of their managers and expense money on salesmen who are too lacking in energy and courage for any ordinary amount of training to build them up. Therefore, it seems better to make this test on the candidate early in the program, and it is probably often the case that "daring the salesman to take the job" has a good effect on him.

Goodyear Tire Method.—The Goodyear Tire and Rubber Company has adopted a system of selecting salesmen that has not only greatly reduced the turnover but has resulted in the improvement of its sales force generally. This company holds to the principle that it is far better to spend \$50 of the company's money in eliminating a man unfitted for the work than to allow him to receive the training in which a possible expenditure of \$500 may be involved.

Every applicant is interviewed by at least three executives who record separate impressions of the candidate on a questionnaire. The applicant is rated by a point system as to personality education, intelligence, practical experience, executive ability adaptability and the general impressions received by the interviewer. These separate impressions are averaged with the object of getting an impartial rating. Such questions as "Have you been able to save any money?" "Have you any past debts due?" "Can you give bond?" "Has bond ever

been refused?" are included. Where simple negative or affirmative replies to these questions would reflect against the applicant, he is permitted to give an explanation to offset this impression. Before the termination of each interview, a test problem, typical of the difficulties that confront salesmen in the field is presented to the applicant for solution. When there is doubt as to whether it will be profitable to carry the candidate further into the system of selection, the interviewers may require him to give answers to a supplementary questionnaire, which goes more deeply into the personal and business history of the applicant.

When an applicant makes a fair showing up to this point, he is required to fill out a further questionnaire himself and to furnish a photograph.

Searching into a man's former business connections and employment is regarded as a valuable means of confirming impressions gained by the interviewers. Former employers are asked to give undesirable as well as desirable qualifications, with the object alone of determining whether a man is fitted for the work for which he is being considered. A convenient form accompanies a letter and, while it can be filled out readily, it contains questions that guard against the general tendency of business men to say only what can be said favorably.

A rigid physical examination is the final procedure. All applicants are told at the outset that their selection cannot be determined finally until the results of the physical examination are known.

If at any time during the process of selection it is decided to drop a candidate, extreme tact is followed in this elimination. The good-will of a man leaving with a favorable impression may be worth the cost later on. It is sometimes regarded as expedient to tell the candidate at the outset that, though he be accepted, it is not likely that an opening will occur for possibly six months or a year. Men with no deeper purpose than that of merely seeking a job are usually satisfied to drop their applications at that point.

During the business depression following the closing of the World War, the Goodyear Tire and Rubber Company

found it necessary to drop a large number of its salesmen. Individual records were studied carefully and when selection was finally determined it was found that 60 per cent of the men retained were those employed since the establishment of the system described.

Further details of the Goodyear experience are given in an article in the Sept. 7, 1922, issue of *Printers' Ink*.

Varied Experiences with Young Men.—A firm engaged in the selling of securities for a long time followed the plan of selecting young men and training them in the traditions and methods of the company before permitting them to sell. This was regarded as preferable to selecting men with some experience in selling but whose experience may have been gained in a different line. This policy meant the training of recruits on inside work at very moderate salaries, and kept them from actual selling until they had thorough knowledge of the business. The weak spot in the method was that about the time a man was prepared to be of real value to his firm, he often left, going with competing firms or going into business for himself. Summing up the situation it was found that the most ambitious men were the ones most likely to leave. The fact that they had been kept to low salaries and on clerical work seemed to breed antagonism.

Another company, however, finds that selecting and training young men is decidedly the best plan. The policy in this case differs from that of the company just referred to, in that the firm pays new men well enough to spur their ambition, and also makes it clear from the very beginning that all jobs higher up will be filled from the ranks.

The salesman-developing policy of the Endicott-Johnson Company, shoe manufacturers, is expressed in the following sentence, "All the best jobs in the factory and tannery filled from the ranks."

Procter & Gamble, the well known soap manufacturers, follow a like plan, many of their executives having risen from very modest positions.

Swift & Company have developed the plan one step further of selecting recruits for the sales force from the ranks of those who have had no selling experience whatever. Every

office boy, entering the service of the company at the age of fourteen or sixteen, is selected with the idea of his possible development into an executive of one kind or another. Of course, this means that only a proportion of the boys become salesmen, but the question of each boy's future relations with the company is constantly studied. The training system of the company includes the equivalent of a commercial high-school course and is in charge of three experienced teachers.

A number of sales managers of other well known organizations declare that their best recruits come from the younger group of men. Older men, they say, know too much about the difficulties; know too much about what cannot be done; they work in a rut—do not care to learn new methods. The younger men are strong in their willingness to tackle hard jobs, and they are teachable—have more enthusiasm.

An exception to this preference for young men is found in one large publishing house that finds older salesmen inclined to weather with more fortitude the depressions through which all businesses are likely to go. The younger men, according to this employer, are readily discouraged by bad times.

Developing Selected Recruits from the Ranks.—The general manager of the Van Raalte Company (New York manufacturers of silk garments) says, with respect to "star salesmen" and men developed from the ranks:

We have found that "star" salesmen do not exist any more, and we recruit our very best men from those who have worked their way up in our company from the ranks. Through a steady progress, they have absorbed the proper requisites of a substantial knowledge of the business, have coupled this with energy and enthusiasm and have gone out and made good.

We have come to the conclusion that there is no cut-and-dried way to recognize a good salesman. It's as wide a guess as "guessing the horses." All that an executive can do is to try to come to the same decision that a buyer would come to on being solicited by a salesman. Has he a good personality? Does he look honest and is he likely to give a square deal? Is he a worker and does he ring true? These are the vital tests and the only real ones that can be made in the selection of an applicant. Having these qualities, coupled with hard work and an intimate knowledge of the goods, the salesman should be well on the way toward producing results.

The Shur-On Optical Company finds that its best source for salesmen is among the young men from its own stock-rooms.

Preference for Young College Men.—The Western Electric Company is not only favorable to college graduates in its ranks but makes an effort to get them. Advertisements are inserted in 150 undergraduate publications setting forth the attractions of Western Electric sales work to prospective employes. Through all the series runs the dominating appeal that college is a place where a man must grasp the fundamentals and learn how to weigh facts and form judgments.

Baker-Vawter Company Proceeds with Much Care.—The Baker-Vawter Company, of Benton Harbor, Mich., selects its salesmen from applicants or from among individuals of whom they have some knowledge. This may even involve traveling long distances to interview a prospective worker, but the firm regards this as preferable to going to the expense of training applicants who are not so desirable. Applicants receive full information about the special requirements of the concern and must fill out employment blanks. A photograph is required if the application is made by mail.

The personnel manager, in examining applicants, applies some of the Katharine Blackford theories and gets the applicant to talk about his work, in this way learning the applicant's ability to absorb and discuss.

Ralston Purina Mills' Qualifications.—This company has grouped under five main headings the qualifications deemed necessary to a salesman:

1. *Character.* Because the individuals representing the company reflect its spirit.
2. *Ability to grasp and pass on company purpose.*
3. *Industry.* A salesman is more or less a free-lance and must be self-inspired. Lack of industry seems to be a more common cause of failure than anything else.
4. *Courage.* If the salesman has not the ability and courage to set forth the arguments for his wares, he lapses into a mere order-taker.
5. *Personality.* If a man lacks likeableness he fails to qualify in the final essential.

Testing an Applicant by Interviews with Salesmen.—In the belief that salesmen themselves are good judges of the essential qualities, one national sales manager has the prospective salesman interviewed by three salesmen in the employ of the firm. Even though the applicant's record may show no praiseworthy achievement, opportunity is given him to show the employed men that he has the foundation on which to build experience and create a clientele.

In this organization, it is this sales manager's policy to have an understudy for every important salesman, so that contingencies are provided for.

To further test a salesman who has passed the interviewing stage, he may have turned over to him a quantity of literature and selling data covering the product he will have to sell. He is asked to study this, and then in a day or so is expected to present his selling talk.

Finding Valuable Men in Rural Territory.—A visit to a county agricultural fair was productive of a valuable addition to the force of salesmen in an agency for nationally advertised farm lighting equipment. This candidate was the young son of a prominent farmer. The young man had none of the "pep," "ginger" or oratory so often listed as essentials. He was intelligent, earnest, and he knew the ways of farmers.

This applicant spent two weeks in the home office and factory, absorbing information about the lighting plant. Twelve hard leads were assigned to him. Within a week he had made sales to seven. Not only did this young salesman understand farmers' problems but he was willing to get into overalls to make practical demonstrations of the product.

A tractor manufacturer, who found difficulty in getting proper dealer representation in small communities, had his sales manager drive through the country around the towns and inquire among tractor owners for the man in the community who was most capable in repairing and adjusting tractors. When this man was located he was usually found to be capable and a man generally liked. The result was, in a great many cases, that the tractor company set him up in business as its county agent and found that he was a man able to cope with competitive agencies.

Experienced Salesmen Used in Finding Good Recruits.—

It is the experience of many sales managers that desirable new men are obtained more readily through the acquaintance of the employed staff than by any other method. The Hoover Suction Sweeper Company obtains through the acquaintances of their experienced salesmen 46 per cent of the men whom they train for salesmen.

Holcomb & Hoke, manufacturers of popcorn machines and other specialities, use their experienced salesmen as a means of securing candidates for new positions on the sales staff.

These men are sent to a certain city in a territory in which they desire to secure applicants. After establishing headquarters at a hotel, advertisements are inserted in the local papers, asking that all applicants call in person.

The number of men secured in this way varies according to local conditions, as well as general conditions throughout the country, but this firm has found that the plan usually produces enough results to warrant the expense. Always there are many applicants who are not chosen, because the recruiting men try to sift out those who have not had any experience in selling or who obviously could not make a success. After selection, these men are usually sent to the home office of the plant for several days' intensive training before they receive territories of their own.

A Western manufacturer has worked out a successful system of recruiting new men by depending upon the cooperation of his sales force to put him in touch with men successful in selling other lines—particularly retail salesmen who appear to have the qualifications for handling the manufacturer's goods.

To start with, the seasoned salesmen know the policies and methods of the company; they appreciate the value of hard work. It is the experience of this manufacturer that the men recommended by the salesmen in most cases turn out well.

Double Value of Using Older Men as Scouts.—Incidentally, there is a tendency to tone up the older men on the selling force by giving them the job of finding new men. A sales manager is free to present frankly to one of the older men the qualifications that he will demand in men recommended and,

instead of bluntly pointing out the older man's shortcomings, he may tactfully direct this older man to an analysis of his own work and attitude.

Before the introduction of this system by one concern, the older men resented having recruits travel with them for selling experience, after a week's training in the factory. They regarded them as burdens. But the salesmen now accept it as part of their job to help train the men whom they have introduced to the company. Investigation disclosed the fact that an older salesman was requiring daily reports on the work of a "cub" weeks after the younger man was on the road, and the comments by the older man were sharper and more to the point than the sales manager at the home office would dare make his. In this way, the younger men always meet a spirit of loyalty when they enter the employ of the firm instead of the "knocks" and skeptical comments of older men. Their contact is with older men who are striving to help them make good.

The news that the salesmen of this organization can aid in getting good positions for able men has spread widely. Salesmen in the retail stores push the company's goods in order to bring themselves to the favorable attention of its representatives.

Value of Retail Experience to General Salesmen.—Salesmen selling a manufacturer's product in a retail store are often very eager to enter a broader selling field. Thoroughly trained in retail work, they can usually appreciate not only the user's point of view but the dealer's also. They have been accustomed to the discipline of long hours and usually carry this habit into the new line of work.

New Insurance Salesmen through Policyholders.—Many of the larger insurance companies for a number of years have been sending a slip to each policyholder with the notice for periodical payments, asking for the names of young men likely to be interested and fitted to enter the field of selling insurance. The Connecticut Mutual Life Insurance Company precedes its request for this information with a short summary of the services of the company to the policyholder and suggests that the policyholder may help to extend this service.

First, by suggesting two names of friends or acquaintances whose needs should be served through life insurance.

Secondly, by suggesting the name of some one who in your judgment might succeed as a field representative of The Connecticut Mutual Life Insurance Company. (Our special Educational Course and Sales-Training System are furnished gratis in this connection.)

The reverse side of the card is arranged with blank spaces so that this information may be conveniently filled in.

Inquiries to Leading Men of a Community.—Letters to leading citizens in a community may enable a firm to get in touch with the right kind of candidates for sales service. For example, a banker could probably give the names of men capable of handling the selling of reliable securities; a doctor might know of men fitted to sell insurance, and so on.

Obtaining Salesmen through Educational Program.—A big feature of the educational program of the National Cash Register Company is the maintenance of night classes for factory workers. In these classes are taught the same subjects offered to men training for salesmen's positions. A man completing the course creditably may enter the selling field as soon as there is a suitable opening for him.

This course of instruction includes classes in advertising, Spanish, public speaking, business English and freehand sketching. A full demonstration of a high-grade register requires from two to four hours. The training offered by the N. C. R. class in public speaking is as much for the purpose of cultivating a voice that will please listeners as it is to teach the salesman how to present his sales message.

Another concern, The Kendall Products Company, makers of soap products, also uses the educational method and manages to get recruits for the sales force while incidentally informing the public about Kendall Products. The company gives four weeks' training in salesmanship to individuals interested, without requiring them to accept positions or to pay for the course. The classes are in charge of a well known instructor and instruction is given from 7:45 a.m. to 8:45 a.m., to enable persons regularly employed to take the course without interfering with their present employment.

Securing Salesmen to Sell to Colored Population.—One of the big obstacles in making sales to the large colored population of the country, which is scattered through every state, is the difficulty of obtaining suitable sales representatives. Many manufacturers have apparently regarded it too big a problem to overcome.

The Northern salesman seems to be able to deal readily with the occasional negro whom he meets in Northern territory, but in the Southern states finds himself seriously handicapped if he tries to transact business with the Southern negro and the white man at the same time.

The Fuller Brush Company has found that the employment of colored high school teachers during the summer season has enabled the organization to reach this good-sized market profitably. The men selected—all of them college trained—were easily handled, willing to conform to the policies of the company, cheerful and reliable.

Where Other Employers Have Found Salesmen.—A subscription canvasser, accustomed to long hours and immune to turn-downs, was employed by an automobile dealer and proved to be a real "find." This man was willing to canvass apartment houses from the top floor down.

A Wall Street broker added to his sales force two men from the poorer neighborhoods in New York. They were able to command the bond business of the employes of packing houses and butcher shops.

On the other hand, a large biscuit company found that small dealers on the East Side, New York, were flattered apparently by having men call who were far beyond them in education, appearance and culture.

Y. M. C. A. secretaries have made a good record in sales work. They have patience and are accustomed to prevailing on men to take action.

Many reporters, lawyers and clergymen have made good salesmen.

"Ex-actors make enthusiastic and convincing talks, and not infrequently succeed as salesmen," says Ray Giles in *Printers' Ink*.

Wanted: A Real SALESMAN

who has a clear record for producing profitable business in substantial volume;

who has the weight to see, grasp and control whatever business situation he bumps into;

who has had experience in engineering of sales or handling of sales literature and direct advertising;

who can earn money for himself and make a profit for the house.

To each a man we offer the opportunity to become one of a compact, all-star-cast organization ranking as the leader in its field, numbering a score of the foremost concerns in the country; as active accounts, doing business in five-figure units, with a rating by Dun that answers all questions as to responsibility and stability.

We invite the right man to make himself, his record and capabilities known to us. Address—

"D. U." Box 212, Printers' Ink.

I want a salesman of the type of the hero of "The Go-Getter"

HAVE you read the great story of Cappy Ricks and the Go-Getter in the December issue of the Cosmopolitan Magazine?

We all know that the character in the story was a fictitious one—a legendary person—who possessed the qualities which put him in the world to the position he desired to occupy. Admitting that this is true, from my contact with men, I am certain that there are in New York a number of salesmen, or men who desire to become salesmen, who have the qualities possessed by the Go-Getter in that now famous story.

As Sales Director of the greatest corporation in its line in the country, I am looking for such men. If you are willing to prove to me, not by conversation but by results, that you are the type of man above indicated, I am prepared to make to you a most remarkably outstanding offer.

I will not take a record of past performance and I do not want men who believe themselves to be \$25,000 a year executives, but I want a man who is willing to show me the results I am looking for. His first job will be to handle the sale of our securities on a liberal commission basis.

If you think you can measure up if afforded an opportunity, answer this advertisement with the positive guarantee that if you do produce the results called for, your financial and business success is assured.

Address, SALES DIRECTOR, P 973 Times Building.

WANTED

A Super-Salesman

Our client, who is one of the three largest jobbers of women's coats and suits in New York, seeks a really big salesman. He will be the type of man who can sell a million dollars in merchandises a year.

Naturally this man is now employed. But we know that the proposition our client has to offer will prove a wonderful opportunity for any one who can measure up to the above requirements—ability and a record of accomplishment.

If you are the man, or if you know him, write with assurance that your letter will be held in strictest confidence.

HARRIS ADVERTISING COMPANY

171 Madison Avenue, New York, N. Y.

Is This YOUR Job?

I WANT a R. E. A. L. Display Advertising Salesman.

He must "have the ropes" of a daily newspaper. He must have eye and energy, tact and the ability to "sell to R."

I WANT a camer, not a bookkeeper; that is, he must be able to take pictures, take orders, be able to work by his experience.

INTEREST will be a big salary to start, and as his work increases the man can make himself worth.

If you think the job should be yours, tell me why just as fully as you know how. Write

Box B 111, Public Ledger

WANTED:

250 Business Men as Franklin Dealers

WE ARE going to expand. The public is ready. Our new factories are now ready and further plans perfected. These conditions open the opportunity for 250 more *business men* to become Franklin dealers. This will extend our present organization of 500 dealers and make both purchase and service of Franklin Cars still more convenient. We are taking this short cut to reach such men quickly. Automobile selling experience is not necessary, but good business sense is.

The Demand for the Right Kind of a Car

So far as statistics for 1921 are available as we go to press, the Franklin outsold all other cars of the same or higher price, as well as dozens costing less. In fact, on the same basis, the Franklin in 1921 did over 80% as much business as in 1920, or practically double the rate of the industry as a whole.

Clearer-headed thinking and more careful selection of values on the part of motorists resulted in this remarkable demand for Franklins during the past period of closer buying.

Recent Improvements Make It A Better Car Than Ever

Continuance of this demand is assured by these same conditions, particularly in view of the Franklin's score of recent improvements. Heading the list is the new case-hardened crankshaft, which will outlast any three other shafts, and which makes bearing surfaces practically non-wearing.

Others are: improved electric vaporizer, new starter with vigorous turning power, simplified ignition system, new patented Long-type aluminum pistons, most efficient brake

yet designed, adjustable spring pivot bolts, lengthened rear springs, drop-forged load-carrying parts, and larger drive shaft, universal joints and important bearings.

And all these advances backed by Franklin's 20-year-old principles of light weight, flexibility and direct air cooling, which give comfort, long life, freedom from trouble, and this unmatched economy: 20 miles to the gallon of gasoline; 12,500 miles to the set of tires; 50% slower yearly depreciation. (National Averages)

Are You One of the Business Men We Want?

Back of the Franklin Company are 30 years of general manufacturing, including 20 years of making the Franklin Car. This stability is further strengthened by this fact—the world-wide recognition of Franklin principles and progressiveness by automobile buyers clearly marks the line of development in the industry. Franklin expansion is both natural and necessary.

Is this the sort of a company you want to deal with? And the sort of an opportunity you want to deal in?

Address the Franklin Automobile Company for details, with full particulars as to business experience.

FRANKLIN AUTOMOBILE COMPANY, SYRACUSE, N. Y.,

EXHIBIT 98.—An impressive advertisement by an automobile company.

Exhibits 97, 98, 99, 100 and 101 show a number of different styles and sizes of advertisements inserted for the purpose of securing salesmen of different kinds—high-class men of special experience as well as recruits for house-to-house soliciting forces. While information gathered from the larger organizations does not show that magazine and newspaper advertising are used as the principal methods of getting in touch with experienced salesmen, nevertheless, the advertising method has an important place and must be the chief reliance of many sales managers.

WANTED—

LOCAL REPRESENTATIVES TO SELL MEN'S SILK HALF-HOSE AND WOMEN'S SILK STOCKINGS DIRECT TO THE WEARER; WOMEN'S HOSE 2 PAIR FOR \$5.00. WE DELIVER. YOU JUST MAKE THE SALES, WE DO THE REST.

HERE'S the royal road to big money for active men and women. Nothing is aight at this time approaches silk hosiery as the business getter for agents. Never was silk hosiery so popular, and never was there such a variety.

Prompt deliveries. Perfect goods, all the popular colors, made of the finest grade Japan silk in 12 and 14 strands, fashioned. Don't make the mistake of overlooking this money maker.

ALL THE RESOURCES OF OUR BIG PLANT BACK OF OUR GOODS

Send at once, and get full particulars of this splendid opportunity. The best season is now at hand. The demand is tremendous, and is growing day by day.

Build a Permanent Business

OUR silk hosiery is so good that any intelligent man or woman can soon build up a regular business. Right now we have agents who have no money on all hundred regular customers. Many men and women in our sales organizations have been selling our goods aight and ten years.

NO EXPERIENCE REQUIRED

If you have had no experience, that will make no difference. We forward full instructions how to take orders. If you are experienced all the better, you will make a big success more quickly.

Full Particulars Sent Free

IF YOU are seeking a dignified and lucrative business join means to make yourself independent. Send coupon NOW. Fill out name and address carefully on coupon below and send to us now, while the paper is before you.

The International Mills, Inc.
Dept. 314, Harrisburg, Pa.

Please send me full particulars of your silk hosiery proposition, without assuming any obligation on my part.

Name _____
Address _____
P. O. _____
State _____

EXHIBIT 99.—An unattractive announcement that is difficult to read. There is no human interest in it, and it lacks even an attention-compelling headline. Compare with the Fuller Brush exhibit No. 100.

Hints from Advertising Experiences.—Some points to be kept in mind in advertising for agents or sales representatives are the following:

1. It is often not best to indicate that a large number of salesmen are wanted. While it is not advisable to deceive, some of the most effective advertisements are those that deal with the need for a *salesman* of a certain type, notwithstanding the fact that many of his type may be needed. This depicts the opportunity as a more personal one.

From Bashful Clerk to Successful Branch Manager—



E. J. STULTS
a Fuller Man at
South Chicago

"In 1917 I was a bill clerk in a packing plant at Austin, Minn.," writes E. J. Stults, a Fuller Man at Chicago. "My pay was low and I was dissatisfied. Desiring a change, I became interested in Fuller Brushes through an old chum of mine, Gordon Maffry, present Manager of the Fuller-Kansas City Branch.

"At that time I was only 19 years old, undersized, and self-conscious. However, I figured if Maffry could do it, I could do it.

"For two solid weeks I went through agonies of self-consciousness. However, one thing spurred me on:—I was earning about three times my former salary!

"After three weeks in Albert Lea, Minn., I went to Grand Forks. But when I started to work there, a miracle seemed to have happened. I had all the self-confidence a man could ask for, and felt

as if I could sell Fuller Brushes to the President of the United States. I hit \$200 the first week, and it was clear sailing from that time on!

"On my sales record I was sent to Springfield, Ills., and later was given the Terre Haute office. After four months in Terre Haute I was made Manager of the South Chicago Branch Office.

"I am highly satisfied with my work, my present position, and earnings. I have recommended selling Fuller Brushes to many men, for no man, young or old, could pick a more enjoyable, profitable occupation, whether he be self-educated or college-educated; nor could he pick one that offers the opportunities that selling Fuller Brushes offers.

"If an undersized country boy inflicted with a salesman's worst enemy (self-consciousness) can make a 'go' of selling Fuller Brushes, surely no man should have any doubts about making good and advancing with The Fuller Brush Company."

This same Opportunity exists for YOU!

Right now, Fuller can use more ambitious men to make good selling Fuller Brushes, and then be in readiness for the promotions which are bound to come. No selling experience is necessary, for Fuller gives thorough training, free, to men who are ambitious to succeed.

Write for booklet "Out of the Rut," the book which has started so many Fuller Men to success. Don't wait for it, but get in immediate touch with the nearest Fuller Office (look it up in telephone book). Evening appointments made, if desired. Or address,

Sales Promotion Department

The Fuller Brush Company, Hartford, Conn.

Fuller Brush Co., Ltd., Hamilton, Canada
Branches in over 200 cities.



EXHIBIT 100.—A type of advertising that draws many recruits from other callings into sales work. The headline is a strong one, and the advertisement gains realism by giving the details of this young salesman's career.



Sure There's More Money For You—

AND IT would be acceptable, wouldn't it—an extra \$10.00, \$25.00, \$100.00 a month? Mrs. Pearl Gray of Ontario tells us that it took her just three hours to earn her first three dollars. Mr. J. F. Patterson, Jr., and Mr. Julian C. Breese report \$4.00 a day extra from their respective New York communities. But let's take your case:

It really doesn't matter where you live, in town or country, so long as you have a little spare time or will grasp every opportunity of suggesting to your friends and neighbors that they give you their renewal and new subscriptions for *The Saturday Evening Post*, *The Ladies' Home Journal* and *The Country Gentleman*. No work could be more independent; and as for experience—it isn't necessary, for the reason that we furnish everything you need, even to a most helpful course in salesmanship. Whatever may be your plans for the future it will really pay you, provided only you want more money, to learn all about our cash offer. Costs only two cents to send the coupon.

-----Clip and Mail-----

The Curtis Publishing Company
242 Independence Square, Philadelphia, Penna.

Gentlemen: Sure I want more money. Please tell me, but without obligation, how I may earn it.

Name _____

Address _____

City _____

State _____



EXHIBIT 101.—A frank appeal to the universal desire to earn more money. This method of featuring three instances of successful experience in working for the Curtis Publishing Company is an ingenious one.

2. In general, it is best to reveal the name of the prospective employer, although there are circumstances that make this inadvisable. The name of a large, well known organization carries prestige. If the organization is a small one and the advertising is to have local circulation, to reveal the name of the employer might create prematurely the impression that other men were to be released because of unsatisfactory service.

The Addressograph Company, of Chicago, Ill., tries to limit interviews with prospective salesmen to those men who are willing to take a course of training in salesmanship. To interest this type of applicant, the company inserts a "blind" classified advertisement in the local newspapers of cities in which it is desired to obtain salesmen. This advertisement merely announces that a class in salesmanship is being organized and that those wishing to enroll may do so by meeting at a given room number in a hotel at a specified hour.

3. It is better, as a general rule, to reveal the exact nature of the selling work. Sometimes, however, when the public has an erroneous idea of a certain type of work, it is better to withhold some of the information until the inquiry has been received. For example, there is a general prejudice against the work of a "book agent." Therefore, if an advertisement reveals immediately the fact that the work is that of selling books, a good class of inquirers may not apply. If the work is described as that of "representing a well known publishing house," the advertiser may have an opportunity, after the inquiry is received, to show that the proposed work is a desirable form of selling.

4. It is better to require applicants to give full information with the first letter. This necessarily means that those qualifications which the advertiser will demand in acceptable applicants should be named in the advertisement. Such an advertisement discourages readers who cannot measure up to requirements or who are not really interested. Many advertisers, with good reasons, make it clear that the work is one requiring resourcefulness, energy, courage, etc. Often it is well to ask for a photograph.

5. Assurance should be given, when conditions make this desirable, that applications will be treated confidentially.

The fear of having his application talked about keeps many a desirable applicant from replying to an advertisement.

6. Other advertisers who recruit their organizations mainly from people who have had little or no selling experience find it advisable to be inspirational and paint attractively the valuable experience gained, the training and other privileges enjoyed by the applicant.

7. Classified newspaper advertising, despite the volume of this type of publicity, has been found most valuable. This is because both men and women looking for better positions have been trained instinctively to go to the "help wanted" columns of the newspapers.

To a lesser extent, classified magazine advertisements have been found useful.

The relative value of these two kinds of advertising varies with the type of salesman required. A few well known organizations depend entirely on the magazines and claim to get very good results from them. Frequently these are cases where the advertiser aims to attract a class of people that have had little or no selling experience and would not ordinarily be interested in a selling job. An effective type of publicity used by such organizations has been to deal with the experience of some successful salesman, frequently using the photograph of the salesman. See Exhibits 100 and 101. It is sometimes best, when such a salesman is featured, to conceal his post office, giving only the name of the state. The reason for this is that there are organizations who make it a practice to tempt successful salesmen away after these men have received training by some other organization and have had selling experience.

8. Sometimes class publications prove to be unusually effective. If a man with printing experience is needed, an advertisement in a magazine for printers would reach the right class of readers. Sometimes religious publications are effective, because they reach Sunday School superintendents, heads of pastors'-aid societies, and the like, who may be just the right candidates for certain sales work. College publications are valuable in reaching young college men.

LETTERS TO APPLICANTS

An important part of the job of securing new dealers, new agents and new salesmen is that of good letter-writing. An advertisement or some private inquiry may bring a number of good answers but unless these are handled in a way to create confidence and instil enthusiasm, little may be accomplished. In those cases where experienced men are to be employed or where applicants can be conveniently invited to call for interviews, it is obvious that letter-writing will not play such an important part. Many organizations, however, find it necessary to engage hundreds of representatives, many of whom are in sections remote from the general office of the company and with whom much of the preliminary discussion must be had through the medium of letters. Even if the applicant is finally invited to come to the home office or to a branch office for an interview, good letter-writing may be the means of weeding out the unfit and of preparing the better candidates for the interview.

Letter from a Book Publishing Firm.—The following letter is a good example of a method used by firms seeking to engage women for selling work. Some of the women who reply to advertisements of a firm of this class are those who have had good experience either in selling books or other articles purchased by the heads of homes. A great many applicants, though possessing the fundamental qualifications of good saleswomen, have had no experience in selling and may be timid about attempting, particularly when they learn that the article to be sold is a set of books. It will be observed that the following letter does not let the applicant feel that she is certain to be accepted as a sales representative. F. E. Compton & Company has found it better to have applicants feel that they must meet a good standard before being employed. In other words, a better type of representative is secured when applicants understand that the representatives of F. E. Compton & Company are very carefully selected. Though this letter is out of date, F. E. Compton & Company having introduced a new young people's encyclopedia and

made changes in prices, selling plans, and so forth, the letter illustrates well the method of approach.

Miss Lucy D. Proctor,
Blanktown, Miss.

Dear Miss Proctor:

I have just gone over thoroughly the information furnished by you in reply to our advertisement. I believe you have the ability to make good, but before deciding this question definitely, either from your point of view or ours, I think additional information should be furnished on both sides.

Like most women who are unincumbered and who have a living to make, a position that offers the interesting life and educational advantages of travel probably appeals strongly to you, especially if that position means an opportunity for success in the business world even from the very beginning and can be made more profitable than any ordinary line of work. On the other hand, you probably feel a shrinking from undertaking anything that will take you away from home surroundings and bring you in contact with new business associates. If you will read "To Kitty From Betty," page 57 of the Success Number of *Better Business* that I am sending you under separate cover, you will see that there is a wonderfully "homey" atmosphere among our groups of workers, and I believe this will also impress you with the fact that you will be treated with the utmost consideration by the other group workers.

Now, I am going to give you a little insight into just what the House of Compton stands for:

For twenty-seven years it has been in charge of an educational movement headed by Dr. Frank McMurry, of Teachers' College, Columbia University. The aim of this movement is to give children attending the public schools the proper supplementary home help. You know how much methods of teaching have changed in late years. Parent-Teachers' Associations and mothers' magazines have spent years convincing parents that education consists of more than a mere cramming of facts—that the home is the important and real determining factor in the training of children. Our work is planned in connection with the general course of study laid out by the leading school people of the country. It is not a luxury or something that only a few are interested in or can afford to own. Every home feels its need and every mother is willing to economize on other things, if necessary, in order to give her children the advantages that the use of our material offers them.

If you are selected, we will give you thorough training, furnish all your supplies, pay your railroad fare and advance you \$24 a week while you are getting started, irrespective of orders. This advance is guaranteed for at least four weeks and is for the purpose of taking care of your expenses while you are getting accustomed to your new duties. It does not, however, in any way represent your earning power. You have the opportunity of making all the sales you possibly can, and you will be paid a commission on all sales made.

Inexperienced beginners for the first six months of 1920 averaged twenty-three orders each for their first month. This means that they earned in commissions almost double what we advanced them during the first month. Figuring in every one who sent in a report, our sales force averaged a little over \$50 a week for the year 1920. Since this means counting failures and people who were sick part of the time, I feel safe in saying that an average worker who has the health to work steadily and who applies herself can count on an average of \$75 a week for her first year.

The Service we offer is complete in seven volumes and sells for \$37.75 on a Mothers' Plan of \$3.75 down and \$3 a month until the full amount has been paid. On each sale, you will be paid a commission, varying from \$6.65 to \$9.15, in accordance with ability and length of service.

You would be expected to interview five prospective purchasers each day of six hours. You would be required to work in a small group under the supervision of an experienced manager, and you would spend from two to six weeks in one place. Our managers spend their time instructing beginners, looking after business details, taking care of collections, deliveries, etc., so that you would be left entirely free for your soliciting work.

In another envelope I am sending you a circular to be left with the mother after making a sale. This will show you the need of our work and explain somewhat the growth of the company. In the same envelope I am putting a copy of the Success Number of *Better Business*, already referred to, just to make you acquainted with the House of Compton. I think you will be particularly interested in "Traveling with the Students," page 41, "Dollars and Cents," page 60, "Salesmanship for Women," page 22, and Dr. Claxton's article on page 56.

If you are really interested in making a business connection with the House of Compton that will not only pay you well but offer an opportunity to travel in pleasant territory and work with companionable associates, please fill out the enclosed information blanks and

return to me promptly. I should also like to have a recent photograph of yourself. (A snapshot will do.) When this additional information comes in, we will decide definitely whether or not you seem qualified to handle successfully the work I have in mind and let you know promptly.

You understand, of course, that you are perfectly free to ask questions about anything that may not be clear to you.

Sincerely yours,

F. E. Compton & Company,
..... Secretary

Magazine Publisher's Method.—The Curtis Publishing Company of Philadelphia has been unusually successful in securing and training subscription solicitors for its widely known publications. The following letter is a first letter to an applicant who has been attracted by one of the Curtis magazine advertisements for spare-time workers. The spirit of this letter is excellent. Along with the letter came an interesting booklet entitled "A New Market for Spare Hours." This booklet contained the photographs and experiences of a number of successful workers and other details likely to inspire the candidate for employment. Other enclosures were the blank for the applicant's first order, a subscription receipt book, and a return envelope.

THE CURTIS PUBLISHING COMPANY

INDEPENDENCE SQUARE
PHILADELPHIA

THE LADIES' HOME JOURNAL
THE SATURDAY EVENING POST
THE COUNTRY GENTLEMAN

CIRCULATION DEPARTMENT
AGENCY DIVISION

March 23, 1923

Dear Mr. Davis:

Let's sit down for a minute and talk over what your note of inquiry about our money-making plan offers—to both of us.

First, let me ask you a fair question: has any one ever asked you to subscribe by the year for THE LADIES' HOME JOURNAL, THE SATURDAY EVENING POST or THE COUNTRY GENTLEMAN? Ten to one, NO.

Do you see the point? There are literally thousands of A No. 1 Curtis subscription prospects whom nobody has ever tried to sell. Not a day goes by but folks right from your neighborhood send us subscrip-

tions direct, simply because no Curtis representative is on the spot to take the orders and collect the profits.

So you see we need the right kind of worker for your territory. I hope you are the man. If you are, your success is assured.

You don't need experience to begin. We'll furnish that. As a matter of fact, we have a complete, free course in Curtis salesmanship, in the form of a series of booklets, the first of which you'll get as soon as you start, and the rest of which will come along as you need them. Then, too, we have "Vim," a monthly magazine for our representatives, which presents ideas that our most experienced field workers have found to be money-getters. You'll get "Vim" regularly. Again, we'll give personal help when you want it. I repeat: all you need is the determination to start—the experience will come.

You'll find it's easy, I promise you. Surely it doesn't take much backbone to ask a friend how he likes THE SATURDAY EVENING POST. You know he likes it. Nearly everybody does. And when he says, "I think THE SATURDAY EVENING POST is fine—the biggest nickel's worth of reading matter to be bought" you don't need much nerve to ask whether he wouldn't like to get it regularly on each of the fifty-two Thursdays in the year for only a few pennies a week. That's all it costs at the new low price by subscription inaugurated only a few months ago.

And that's not all. You have two other periodicals to offer; each the unchallenged leader in its field.

THE LADIES' HOME JOURNAL already carries its helpfulness, inspiration and entertainment into some two million homes. Read any issue—you will understand why it is everywhere popular. It is the housewife's best ally in bettering, more economically, the standard of living in her home. If you can promise her a saving of even ten dollars a year—and you can safely make that promise—you should certainly have no trouble in obtaining her order for it.

And THE COUNTRY GENTLEMAN! You'll find, I'm sure, a big profit opportunity in this great national weekly of agriculture. Week by week it offers to more than 850,000 families sound practical guidance on every problem of the farm business and the farm home. Every farmer in your county, every member of a farm organization, every citizen in town who owns a farm or who comes in contact with farmers, is an ideal prospect. Yet fifty-two big issues—a whole year of this service—cost but \$1!

There they are: three big periodicals always alive to what America needs and wants; helping to make happier and more prosperous homes; bringing pleasure and information to their readers, and ready to bring more money to you if you take advantage of the offer we are making you. In the enclosed booklet, you will find abundant proof that your work will be easy and pleasant—and that your profits will be liberal, permanent, ever-increasing, year after year.

I feel so confident that you will want to join our staff of money-makers and get a firm grip on the steady, growing profits your territory offers you, that I am enclosing, right with this letter, not only the details of our plan, but all of the supplies that you will need to begin work at once—including our official receipt book, which will identify you as authorized to secure and forward subscriptions for us. I'm not even waiting for the usual business references; you can send them along with your first order.

You want more money, I want a live worker. Shall we work together? Then take your receipt book and make the right start right now. Many of your friends and neighbors already know and like our publications—they are ready to subscribe when you ask them. Ask them—NOW! Earn your first Curtis profits, and when you have the money in your pocket, send me the best possible answer to this letter—your first list of subscribers.

You CAN mail it tonight. DO!

Very truly yours,

THE CURTIS PUBLISHING COMPANY

Manager of Agency Division

Use of Supplementary Letters to Candidates.—Some concerns employing large numbers of representatives, recognizing the difficulty sometimes of instilling confidence into a candidate, have adopted the plan of having friendly letters written to selected candidates by employed salesman. For example, an experienced salesman in the city of Indianapolis may be asked from time to time to write a short letter, which may closely follow a form supplied by the home office, to applicants from different parts of Indiana. This procedure would be unnecessary in those cases where experienced salesmen are to be employed, but where recruits must have confidence and loyalty to the firm instilled into them the receipt of a letter from some one not far away who has had years of experience with the employer may be very effective.

Combination Application Blank and Agreement.—The following paragraphs indicate the make-up of a combination form and agreement used by a Chicago concern in closing arrangements for sales representation. In reproducing this form in this volume the blank spaces have been reduced. In the original form these were ample for the applicant to give full details on his blank and thus have the entire information and agreement in one document.

J. B. Simpson *Inc.*

All Wool Suits Tailored to Order

831-843 West Adams Street, Chicago

Application for Agency

The information you give will be held in strict confidence

Date.....

We are interested in everything you have done, your age, experience, territory, etc. Do not hesitate to write us fully. We are doing business with you at a distance. The only way we can feel acquainted with each other is for you to state in writing the information desired. We have tried to mention all points of interest in our letter. If there is any further information you want, do not hesitate to write us. Your questions will be answered promptly.

Full name.....

Street and number..... Box.....

Permanent or

Home address (Post office).....

County.....

State.....

Territory in which you will work.....

How many calls do you generally make each day?.....

The number of sales you make depends largely on the number of calls you make.

YOUR EXPERIENCE

Please state what you have sold, for whom, how long, etc.,.....

.....

Are you an experienced tailoring agent?.....

What line do you now handle?.....

What lines have you handled?.....

How many orders do you take in an average season?.....

Firms for whom you have worked and reliable business men who can vouch for your reliability.....

.....

The sample outfit is never sold. It always remains the property of J. B. Simpson, Inc., but if you want samples shipped before we hear from your references, send a \$3 deposit as evidence of good faith. References are necessary even though deposit is sent. The deposit is refunded

on delivery of the first suit-order or on the return of the samples. It is not necessary for any member of the N. A. S. S. to send deposit. Membership is accepted as proof of reliability, but applicants should state experience and firm for whom they work.

We are looking for men who want to build a permanent business. "Fly-by-nights" are not wanted. We believe a satisfied customer is the only customer worth while—by the same token, the only salesman worth while is one who will do business strictly on the level.

Lack of experience in the tailoring business will not count against you. We teach, train, advise, help and cooperate with you. All we ask of a man is sincerity and "pep," enthusiasm, backbone and ability and willingness to learn.

J. B. Simpson, Inc.

I agree to accept all orders according to your terms and if I fail to produce sufficient business, I will return the samples by insured parcel post within ten days upon receipt of written demand by you. The value of the samples is \$20, and I agree to be responsible for their safe keeping and will pay you \$20 if the samples are lost through negligence on my part.

Sign Below

Name.....
 Street and number..... Box.....
 Post office..... State.....
 Please use the following space for additional remarks:

.....

We furnish a neat carrying case for samples; book of instructions and selling suggestions; order blanks in duplicate—one copy goes to us, the other copy is retained by you—receipt books in triplicate—one copy goes to customer, one copy attached to the order, one copy is kept by you; business cards, correspondence paper, envelopes—all supplies needed to successfully carry on the business of a tailoring salesman.

Interesting Items from a Questionnaire—Out of eighteen replies to a postal-card questionnaire sent out by the author to leading manufacturers of the country, twelve expressed a decided preference for selecting salesmen from their own office or plant staffs or for taking young college men and giving them the necessary training.

The following summary shows the preferred methods of obtaining salesmen indicated by the eighteen large manufacturing firms that replied to the questions:

TYPE OF CANDIDATE	NUMBER OF EMPLOYERS PREFERRING
Men from own organization—office or plant.....	8
College graduates of suitable training.....	4
Men who have sold competitive product.....	6

The same group of manufacturers indicated their second choice of methods according to the following summary

TYPE OF CANDIDATE	NUMBER OF EMPLOYERS PREFERRING
Men who have sold competitive product.....	3
Men from own organization—office or plant.....	2
College graduates of suitable training.....	8

A leading firm, requiring men of technical knowledge, wrote that attempts to use men from competitive lines of business have been very unsatisfactory. Even though at the outset it is the more expensive method, this organization finds the best way to be that of selecting young college men and men already employed in some other department and training these candidates for efficient selling. Another representative manufacturer finds it profitable to arrange with the faculty of a university to give the students a short course of lectures that tie up the selling possibilities of his product with the work of the students. The manufacturer supplies the instructor himself and arranges that only men close to graduation shall take the course. Some of the students always show sufficient adaptability to enable the manufacturer to obtain candidates for his sales organization.

Still another large manufacturer of office appliances finds that classified advertisements bring him an immediate and good-sized volume of inquiries for positions, but by this method he finds it necessary to interview a large number who are unfitted for the work.

F. E. Compton & Company, publishers of an illustrated young people's encyclopedia, use advertisements in metropolitan newspapers and in school magazines. The latter type of medium is used because the best applicants are among school teachers who are well fitted to handle an educational product. All applicants reply directly to the home office of the company, and although the hiring is finally done by a

district manager, there is no interview until the inquirer has replied to several carefully prepared letters from the home office.

Aluminum Cooking Utensil Company's Method.—The Aluminum Cooking Utensil Company, in addition to a review

APPLICATION FOR EMPLOYMENT		Date
THE ALUMINUM COOKING UTENSIL COMPANY		Dept.
NEW KENNINGTON, PA.		Work
Date..... 192.....		Salary
Name in Full.....		O. K.
Address		Per
Age..... Yrs. Weight..... Lbs. Height..... Ft..... In.		Above not to be filled out by applicant
Enclose photograph with application. Position Desired.....		
QUESTIONS	AND	ANSWERS
1. What is the condition of your health?		
2. Married or Single	Nationality.....	
3. Present Occupation.....		
4. What educational institutions have you attended and for how long?		
5. How do you use your spare time?		
6. Do you use tobacco; in what form, and to what extent?		
7. Do you use liquor; in what form, and to what extent?		
8. When can you begin work if application is accepted?		
9. Have you any church affiliations?		
10. Have you any scars, marks, or any physical defects? If so, describe fully		
11. What business experience have you had?		
12. State selling experience with "Wear-Ever"		
13. Have you had any General Agency experience?		
14. Average earnings per week for past year?	Per past two years?	
15. How much income must you have to meet your necessary living expenses?		
16. What amount of earnings would satisfy you?		
17. Do you save?		
18. What do you consider your strongest qualification?		
19. Introduced to this Company by		
REMARKS:		

EXHIBIT 102-a.—Application form used by Aluminum Cooking Utensil Company in recruiting salesmen.

of the blanks shown in Exhibits 102-a and -b, requires a personal interview with every applicant. Usually applicants are men who have worked on the demonstration or sales force. This employment has given the company an opportunity to

form an idea of the business ability and personal habits of the man for six months or a year prior to the time when he is considered for a salaried position as sales representative. Reports are also called for from his immediate superior, usually a supervisor.

References

Below give names and addresses—sufficient to make a total of five—including former employers for past five years.

Name of
Former Employer.....
Address.....
Business..... In his employ from..... to.....
Date Date

Name of
Former Employer.....
Address.....
Business..... In his employ from..... to.....
Date Date

Name of a
Professional Man.....
Address.....
Business.....

Name of a
Minister.....
Address.....

Name of a College or
School Professor.....
Address.....

Name of a Banker or
Y. M. C. A. Sec'y.....
Address.....

EXHIBIT 102-b.—Reverse side of Aluminum Cooking Utensil Company's application blank.

Facts from a Review of Successful Salesmen.—H. G. Kenagy of the Bureau of Personnel Research, Carnegie Institute of Technology, has brought out some interesting facts in his review of the organizations directed by thirty-eight sales managers connected with nationally known concerns. Each of these sales managers was asked to review the characteristics of a few of his best men. While the summary does not afford

any hard and fast conclusions, it presents some interesting situations:

1. The largest producers were found to be thirty years of age, or older. Only about 11 per cent of the men with big records were younger than 30. The figures also indicate that at fifty, in nine cases out of ten, a man passes the big production period. Only 7 per cent of the men ranking as "superior salesmen" were found to be more than fifty years old. Two-thirds of the successful salesmen were between the ages of thirty and forty-five.

2. The reviewed experiences show that undoubtedly good physical appearance is a factor in selling success, but they do not indicate that superior height is any advantage. The men of average height, ranging from 140 to 180 pounds in weight, showed higher records than those who were either above or below these figures.

3. This investigation neither proved nor disproved the value of a college education, but it proved that a man who did not have at least a high school education is hampered. Of the men with high records, 65 per cent had a high school education or better while the remaining 35 per cent had not received a high school education. The investigator added that different degrees of education seemed to be required in different kinds of work.

4. An overwhelming majority of the best producers were married men who had dependents and had more reasons than the unmarried man often has for increasing the business.

5. The summary also shows that men among the "top-notchers" have had at least four years' experience—that only 5 per cent attain a high standard with a selling experience of less than four years.

(Summarized from *Printers' Ink*, March 29, 1923)

OTHER INTERESTING EXPERIENCES IN EMPLOYING AND TESTING SALESMEN

The following facts are drawn from a number of articles appearing at different times in *Printers' Ink*, giving the conclusions of sales managers in recruiting and trying out men:

Experience with Men Past Middle Life.—When the government drafted most of the younger men at the time the United States entered the Great War, many concerns found that the only way to fill salesmen's positions was to employ men who were formerly considered beyond the age when they could possibly make a success in selling.

L. L. Newton, formerly secretary of the Luther Grinder Manufacturing Company, reports that the necessity of this situation brought his firm into touch with a class of men better able to make a success than the younger men they had been employing. The experience yields the following conclusions or observations:

1. An older man knows his limitations and is not likely to be constantly on the lookout for a position at a slight advancement.

2. A man whose history shows him to be a man of good habits, dependable and so on, is very likely to continue his good record no matter what occupation he may follow.

3. The age of the man of middle life usually receives consideration, and if he is friendly he soon acquires a firm grip on his trade.

4. Older men, however, have the tendency to hold to older ideas, habits, and so on. They usually require more training than the younger men, and if they have acquired habits in selling that are inconsistent with a new undertaking, it is frequently very difficult to make them see their faults. Even when they do see their faults, they are likely to drop back into the old habits from time to time.

Voluntary Applicants Do Not Rank High.—Voluntary applicants for positions are not regarded with much favor by a sales manager who has succeeded in reducing the mortality of his sales force to a very small percentage. In his judgment, much of the difficulty in keeping men and in developing successful salesmen comes about by giving too much attention to this type of inquirer, who is too often a "floater."

Capable salesmen are not usually out of employment, and although they may not be entirely satisfied with their present connection, they cannot be induced to make a change unless a real merchandising opportunity is brought to their

attention. Even when only moderately satisfied, most of these men are inactive in their efforts to locate better positions. Therefore, while an occasional voluntary applicant may be a "find," the law of average is against him.

The sales manager referred to makes an annual trip covering a greater part of the combined territory of all his men. He makes his quest for new men favorably regarded by his present staff, also for men known among local retailers, on whom he calls to get a new viewpoint on trade conditions. After his first trip, he found it comparatively easy to get into touch with a great number of promising men, although it was necessary to do much interviewing in order to secure those of just the right qualifications.

"Finds" among Clerks of Country Stores.—One manufacturer, having a large number of general country stores as his customers, has found that his best salesmen are recruited among the clerks of these same stores. Such men know the problems of the small-town merchant, and their close association with the proprietor has taught them how he does his buying. The experienced salesmen of this manufacturer are frequently approached by these younger fellows and their names are turned over to the sales manager for consideration.

The training of these recruits consists of selling direct to consumers in small towns. After the candidates have taken orders throughout the town, they then approach the local merchant and try to induce him to place an order large enough to cover this local business.

These country-town men develop skill in a remarkably short time and are soon able to handle difficult situations in the way of adjustments, complaints, and so forth, with tact equaling that of experienced men. Furthermore, they do not shrink from the inconveniences that they are likely to run into when stopping in small towns. Some drop out, of course, during the first few weeks of preliminary training, but the average result is an improvement over any other method of securing desirable new men that the manufacturer has tried.

A Tobacco Company's Conclusions.—One large retail tobacco company has a list of conclusions and qualifications that serves as a general guide for the employment of new men,

though they do not apply as fixed rules subject to no modifications.

No man is employed who suffers from some physical defect that would bar him from the protection of the insurance that the company takes out to cover all of its employes.

A man over a certain weight is likely to be in his own way behind a counter, especially as these tobacco stores are located at busy centers where space is at a premium.

On the other hand, a very small man is likely to be imposed on and may be singled out by hold-up men.

Men who have had employment in lines much affected by seasons are likely to accept a position and hold it during the dull season and then return to former occupations just as soon as the rush period promises larger profits.

Theatrical and moving picture men are generally unwilling to buckle down to routine and long hours and are not likely to remain long in one place.

Men who have become accustomed to short hours and to no work on holidays or Sundays are not usually happy in this company's employ and are rarely considered.

Men who have sold hats or shoes know how to study a customer's tastes and peculiarities and they make the best kind of retail tobacco salesmen. Some other types of retail salesmen are likely to do well. Barbers know how to meet people and usually have the patience to try to satisfy their wants when they turn to selling work.

After a new man has been employed, if it is found that he gambles or plays the races, he is released immediately, whether or not he is short in his accounts.

Much care is taken in placing a man in a territory that gives him the best chance. For example, a man of evident refinement, speaking good English, could handle a store in a residential neighborhood or in a hotel area, but he would not know how to meet the rougher classes in the lower East Side of New York City.

One Plan of Trying the New Salesman.—Believing that sales-resistance to its products was particularly high in New England territory, a firm permitted one of its older salesmen to run along year after year with only a fair sales average,

though the territory brought only a moderate profit. One of the younger salesmen asked to be transferred to the New England territory, circumstances making it necessary for him to live in that locality, and the territory changed hands. The new man, though receiving a much lower salary than the man who had covered the field for years, brought the sales totals up substantially, until they compared favorably with other territory.

In cases of this kind, when a territory fails to yield a proper volume of business, it is recommended that the salesman in the field have the assistance of a younger salesman for a time and possibly the further aid of local newspaper advertising or some other concentrated campaign. If, after these helps are removed, sales continue to lag, the sales manager whose experience is here referred to regards the showing as sufficient proof that the older salesman is not doing the best he can with his territory and that it is time to consider a change.

The same principle holds true, this manager believes, in testing new salesmen. If within a reasonable time a new man fails to measure up to the standard, it is the better plan to cut the loss short rather than to permit the man to run along until he realizes his own shortcomings and gives up. The time-limit and the minimum-sales average may be fixed by an average made by men who have finally come through successfully.

SECTION VIII

EDUCATION OF SALESMEN

Granting that there are "born salesmen" who make fine records, though having had little or no systematic training, the fact remains that modern sales practice calls for good training. The following are some of the reasons for sales education and the existence of sales schools or courses:

1. Mere personality is no longer sufficient. Business firms want their men prepared to interpret the business or the product rather than to depend on friendship, personality or popularity—valuable as these aids may be.
2. Competition has become very keen. The salesman of the present must know much about sales tactics as well as a great deal about his product, or he cannot meet the scientific attitude of many buyers and the demands of the alert and competent purchasing agent.
3. Large organizations must usually proceed along some predetermined course. Unity of effort is required, though each man of a sales force may be left at liberty to use his individuality. Frequently there are pronounced policies to be carried out.
4. Knowledge of the various departments of a business is essential, so that the men of the sales department understand the operations and requirements of the business as a whole and can work smoothly with all executives or department-heads.
5. A centralized training system means the consolidating of the most essential information and the gathering of the most effective methods. New men can draw on this repository. The standardization of sales arguments is made possible.

6. A training system makes for development of the entire man, while loading his mind with essential information. A good training course develops character, schools the candidate in practical psychology, improves his analyzing of facts and his delivery of ideas.
7. A period of training gives executives a better chance to judge men than when they are employed and put to work with little preparation.
8. Finally, sales-training systems have proved their value in lessening the expensive turnover in sales organizations. Good training systems cost time and money to operate, but they save later expense.

The Turnover of Salesmen.—With organizations employing a good-sized sales staff, the turnover in salesmen is usually large and represents a great deal of wasted effort unless some attempt is made toward training and toward weeding out the misfits. In one organization employing nearly a thousand men, the turnover was for a number of years in excess of 100 per cent yearly. This organization figures that it represents a loss of at least \$500 when a new man is employed, trained and works only a few months. This loss is caused to a great extent by the fact that a new salesman going into a territory is unable to take up the work at the point where the former salesman left off.

Still another organization employing nearly one hundred men, declares that only one-third of the men employed prove capable enough to be retained.

One of the largest motor truck manufacturing companies reported that on July 1, 1921, their sales staff consisted of 265 salesmen. On June 30, 1922, this concern was employing 157 salesmen. During this period there were 235 changes, 78 of which took effect March 1, 1922, when the company decided to reduce expenses. Most of this group of 78 were later reinstated. The president of the company explains that the period covered by these figures was unusual but that the normal change is large.

As might be expected, the turnover figures are largest in those organizations where the effort calls for constructive work and where there are real standards to be met.

Whether the turnover is large or small, the argument is still strong for adequate preliminary training, so that every candidate may have a fair chance to prove his ability as a salesman.

Survey on Turnover among Salesmen.—A survey by the Dartnell Corporation over a period of eight years—from 1915 to 1922 and covering from twelve to fifteen companies each year—showed the percentage of turnover among salesmen ranging from a little in excess of 40 per cent all the way up to 85 per cent. The Dartnell Corporation is also authority for the statement that thirty-six concerns estimate the cost of hiring, training and getting salesmen on a productive basis as ranging from \$200 to \$2,000. One sales manager of a large distributing company is quoted as figuring his annual cost or turnover in his sales force at \$180,000.

Need for Training and Definite Records.—Such statistics suggest that not only is a training system usually needed, but that every sales manager does well to keep some kind of record that will enable him to see the particular reasons why new salesmen fail to succeed. This showing might not lead to exact conclusions, but it will be worth while if it enables the sales manager to decrease his turnover materially. To illustrate: if it is learned that the peculiar needs of the business are such that a new man has to give considerable time to studying the business for the first six months and it is shown by a review of the turnover record that a large percentage of the failures is among men who are unwilling to study the business, then it follows that the sales manager may do well to reject at the very outset the men who think they are too capable to spend their time learning a new business.

One sales manager has made up the following list of outstanding essentials, checking on this record the points on which each departing salesman failed to qualify:

1. Good appearance
2. Ability to talk enthusiastically and convincingly
3. Receptivity to instruction
4. Energy and resourcefulness
5. Orderliness in arranging and following up work

6. Knowledge of the business
7. Tactics in getting and conducting interviews
8. Personality and character
9. Ability to adapt—to change methods.
10. Home conditions—whether helpful or not
11. Optimism or pessimism
12. Loyalty to firm.

Such a digest of the company's experience, along with actual figures as to length of employment of the men, actual cause of dismissal, the experience of new men, total business done by them, and so forth, may prove well worth while in an effort to reduce the turnover from year to year.

Such a record will also enable the firm to make the educational plans meet the needs more specifically.

SCOPE OF SALESMEN'S TRAINING

The scope of training for a sales force will naturally be governed largely by the nature of the business. The following outline may be regarded only as a general review.

Knowledge of Commodity or Service.—Knowledge of product to be sold, whether it be tangible merchandise or a service, is so essential that it need be only mentioned. In one case the commodity may be so familiar to dealers and consumers as to require a minimum of explanation or interpretation. In other instances, adding machines, for example, the salesman requires not only a thorough knowledge of the product but also an all-around knowledge of how its service will fit into the needs of various kinds of businesses. Lacking this knowledge, he would never be able to approach a conservative banker and convince him that his accounting system should be completely changed to one based on the service of the adding machine.

Knowledge of Raw Materials or Factory Methods.—In this department, too, how far the salesmen need to go varies greatly. Nevertheless, it is safe to say that more salesmen are hampered by lack of information regarding the production of the goods they sell than are hindered by too much knowledge about the origin and the peculiar processes of manufacture. Even if

this information is not to be imparted, as a rule, to the dealer or the ultimate consumer, a salesman's knowledge of production gives him confidence. It will be seen, from a review of the experiences of various organizations included in this Section, that one of the most prolific sources of salesman-recruits is from the production end of business, where men learn not only about raw materials and manufacturing processes, but also about repairs, adjustments, and shipping methods.

Merchandising Methods.—The salesman, as an important factor in the distribution of goods, ought to have a basic knowledge of merchandising or marketing methods.

If he is with the wholesale or jobbing trade, he should be prepared to give the real facts about the function and service of wholesaling.

He should know something about credits, collections, advertising, merchandise display, retail selling, delivery. There are occasions on which he will have to assume responsibility for such service or give definite advice about it. He needs this knowledge in order to work intelligently with all divisions of a business.

Competition.—The present-day attitude toward competition is an improvement over the older attitude. There is less of unfair attack, a decided disposition toward keeping away from discussion of competitors and concentrating attention on just what the salesman has to sell. Nevertheless, the keen salesman must be aware of what competition offers and how he can make the most favorable comparisons when comparisons have to be made.

Training with Experienced Salesmen, Supervisors, Demonstrators or District Manager.—No matter what a salesman may secure through home-office visits and study, he will get a different kind of viewpoint through his contact with the experienced men of an organization "out on the firing line" and through his interviews with the district or branch office manager under whom he may later work. Here he not only has intimate contact with a helpful instructor but also has opportunity to study territorial conditions.

Courses, Classes and Conventions.—Courses, classes and conventions all play an important part in training programs.

Courses may include a series of lessons in pamphlets, or booklet or loose-leaf form, studied in class or by the correspondence method, or the instruction may be compressed into manual or handbook, used for regular reading and for reference. Or the educational material may be given largely through the medium of a house magazine or a series of timely sales bulletins from the sales manager.

Classes may include home office classes or those organized by district managers, supervisors or instructors.

Likewise, conventions may be general conventions or district-office meetings.

Courses and conventions are covered in separate Sections of this volume.

Need for Simple Instruction and Tactful Instructors.—In planning any program of instruction for salesmen, great care must be taken not to overdo the thing and force on the salesman more instruction than he can or will absorb.

Likewise, it is essential that the men out in the field who are assigned the task of coaching salesmen—whether they be district sales managers or special representatives—are properly qualified as instructors and go at their jobs tactfully.

Example of Lack of Tact.—In one manufacturer's experience (related in *Printers' Ink*, Dec. 22, 1921) special men who had already demonstrated their ability as salesmen were sent out as instructors or coaches to a rather large force of salesmen. In one particular instance, the special man rubbed the salesman's fur the wrong way in almost every case. At the very start, he announced that he had come out to "help the salesman." His special job was to find out why more business was not coming from the salesman's territory. He had not come unprepared, he explained; he had in his pocket a list of the buyers in the territory who were particularly hard to close and a list of the prospective buyers who had so far eluded the salesman's appeals. He was going to stand by and watch the salesman make one more canvass of these, and he was sure that in doing this he would be able to point out the weak spots in the salesman's efforts—the

things that had made him come away empty-handed instead of proudly bearing a signed order.

Such an opening on the part of the instructor irritated the local salesman. It was obvious that the home office wanted to help him, otherwise the sales executive would not have sent out the instructor, and the salesman certainly had no objections to increasing his commissions, which he could only do by making more sales. Yet he could not down the feeling of resentment that bristled all over him.

Here the fault was lack of tact on the part of the instructor. Instead of taking the salesman into his confidence and trying to learn through a frank exchange of views, just what were the reasons for the salesman's poor record, the instructor did what so many people are prone to do—aired his own opinions and theories, with the "I-know-I-am-right" attitude, "because I have been a mighty fine salesman; that's why the home office has given me the job of instructing salesmen. It would be a hard case indeed to defeat yours truly," and so on.

This instructor's intentions were of the best. He just defeated the very purpose of his visit by trying to force the salesman instead of adopting the more adroit, subtle method of gently leading him.

Methods of Getting Salesmanship Instruction.—One may gain a knowledge of salesmanship in a number of different ways. Probably the most common methods are these:

1. By intensive study in a classroom or training school under a competent instructor.
2. By taking private instruction from some well qualified salesman or sales manager.
3. By taking a correspondence course before attempting to sell.
4. By taking a correspondence course in spare hours while at the same time getting practical experience in actual selling work of some kind.
5. By going around with a well qualified salesman as an understudy or pupil, to learn from watching the experienced man.
6. By taking a job, without instruction, and learning solely through actual experience.

Most successful salesmen have probably gained their training through a combination of two or three of these methods and by a long process rather than a speedy one. In talking on this point, one successful sales manager says:

Too many salesmen are sent out as stuffed and stiff as Thanksgiving turkeys. Any new men with whom I have anything to do get their training in small doses. The best trained force I ever worked with was educated only on the three points which were considered fundamental in their product. At the end of every two weeks thereafter they received a series of bulletins, devoted mostly to reinforcing their knowledge of and faith in those same three fundamental sales arguments.

Helping Salesmen to Train Themselves as Salesmen. This method, which is followed by one large concern, is very simple but effective. The sales manager writes to each of his salesmen, asking for all the objections, trivial or otherwise, that he encounters in his selling work.

After these are received, they are carefully classified and arranged and lists of the objections sent to each man with the request that he write out his best argument against each different objection. The sales manual of this firm is prepared on this basis, as well as the sales manuals of many other concerns. A specimen page of such a manual is reproduced in Exhibit 115, Section IX.

Where it is practicable to get the men together in classes, instruction based on this question-and-answer material is especially helpful.

A writer in *Printers' Ink* gives the following list of cautions on the teaching of salesmen through the means of classroom instruction:

1. Don't mix cubs and older men, if it is possible to avoid this. The two types may have equal experience, but the older men are something like the older boy in a young boys' school—they are apt to hold themselves aloof and make it difficult to maintain unity of effort.
2. Don't use conventional classroom furniture—small desks, blackboards or a "teacher's desk." This seems to make many good men feel awkward and silly, and there's no real need for such furniture, anyway.
3. Don't make salesmen's class work unduly formal. The salesmen should be *talked with*, not *lectured to*. Find out how much they know

before boring them with material that is too elementary. When you find that any of your men have particularly strong points, encourage them to talk freely. The best teaching is to get the men—as far as possible—to teach one another.

Most salesmen who are competent or who have any training at all have a natural resentment against anything that is labeled a "course of training," while just as surely all good salesmen are always willing to get together and discuss their experiences for the good of all concerned.

REVIEW OF METHODS USED BY WELL KNOWN ORGANIZATIONS

Much of the information in the following pages of this Section has been drawn from the experiences of the members of large organizations such as the Association of National Advertisers, where the type of business varies from canned food products to automobiles and tractors. A number of the references are to experiences related in the leading business magazines during the last half dozen years.

How Salesmen Selling Technical Products Are Trained.—A manufacturer of mechanical and electrical products has the following method of equipping salesmen: all candidates who are accepted first receive thorough shop training. Their progress is carefully watched and if they do not measure up to the standard of requirements set by the firm they are released, or transferred, if possible, to some department of the work which does not exact such particular requirements as selling.

After this shop training is completed, the candidate is put through a regular course in the theory and practice of salesmanship, including the policies of the firm and the broad principles of marketing. Following this, the candidate is trained first in the general offices of the manufacturer and then in a district office. This office training covers such important things as general correspondence relating to sales, adjustment correspondence, the proper handling of inquiries, how orders should be taken care of, and so forth.

His training completed, the salesman is assigned to a territory and made the dominant figure in it, though it is the practice of the firm to allow a service man to come to

the assistance of the salesman in installing some mechanical or electrical apparatus and give instruction as to its proper operation. In commenting on this system, an executive of the organization says:

Sometimes, also, engineers who are specialists may aid the salesman in difficult competitive negotiations, but the leadership is never taken from the salesman. These assisting engineers may be designing engineers only but more frequently they are commercial engineers who are specialists in some particular line, that is, what is sometimes termed application engineers, and they act as advisers to the regular salesmen. Considering the great variety of our products, all of a highly engineering character, our general salesmen could not be expected to have highly specialized knowledge of them all, but they are engineering salesmen and trained business men, with salesmanship training to supplement their engineering knowledge as applied to the marketing of our products and after-sales service.

Training of Automobile Salesmen.—In the experience of one concern, at least, most of the salesmen are developed inside the organization and first serve in the capacity of service men, repairing and overhauling cars. About 75 per cent of this firm's salesmen are technical experts, who not only understand how to sell tractors and automobiles but understand their care and operation as well. Many of the service men receive their salesmanship instruction by learning the operation of tractors in the factory and later through service in a distribution branch. Unless an applicant shows marked selling ability when transferred to the distributor's office, he is not advanced to the position of salesman but is retained in some other capacity.

Good Results from a Self-analysis Chart.—H. H. Dunn, in the *Motor World*, of July 12, 1922, describes how the Anderson-Smith Motor Company, of San Francisco, has used a self-analysis chart in training men to sell automobiles in the local field. Candidates are selected from those answering advertisements. They need not have the slightest knowledge of automobiles. The initial interview must prove, however, that the applicant has resourcefulness and courage. If he makes this impression he fills out a self-analysis chart.

SELF-ANALYSIS CHART

Name

Per Cent

Qualities	100	95	90	85	80	75	70	65	60	55	50	45	40	35	30	25	20	15	10	5	0	
Ability.....																						
Ambition.....																						
Appearance.....																						
Calmness.....																						
Confidence.....																						
Courtesy.....																						
Decision.....																						
Efficiency.....																						
Endurance.....																						
Energy.....																						
Force.....																						
Habits.....																						
Health.....																						
Initiative.....																						
Honesty.....																						
Loyalty.....																						
Perception.....																						
Enthusiasm.....																						
Punctuality.....																						
Tact.....																						
Truthfulness.....																						
Executive ability..																						
Average.....																						

EXHIBIT 103.—Chart on which the candidate frankly grades his qualities, revealing to himself and his future employer just where he needs strengthening.

The sales manager, at the same time makes out his own chart of appraisal of the applicant; this is for record. It is held that these charts (Exhibit 103) give a key to the situation when a man who is really trying is not getting results. Every one is helped by discussing the difficulty, with his chart before him as he talks with the sales manager, who also has an analysis chart before him.

The applicant first spends a preliminary week with salesmen, hearing their arguments, noting approach to prospective purchasers, and the closing of contracts. During this week he is also reading about the Chevrolet car, for which the company is the distributor.

The applicant's next step is attendance in the lecture-and-study room, where he must meet supposed customers. This is a severe test, for the men playing the part of prospective customers are skilled in sales resistance and offer every possible argument against buying a car. Comparisons of the Chevrolet with other cars are hurled at the new man and he must be able to meet them. Anything over which he stumbles may be taken up with the sales manager.

Finally, comes a better acquaintance with the mechanics of the Chevrolet. This information is secured partly from the trained salesmen and also from the repair and service department. Equipped with this ammunition, the new man is ready with a thorough knowledge of selling arguments *for* the Chevrolet and the answers to arguments *against* buying it. He can demonstrate and sell the car, and be helpful to Chevrolet owners with their car problems.

The method of training is said to have brought about a 100 per cent sales increase in eighteen months.

Portland Cement Company's Method.—Men are engaged who have some knowledge of either the building-materials business or engineering or contracting work. They become more conversant with Portland cement, its uses and its sale, by the following methods:

1. Trips to cement plant, where they see the care used in making a uniform product, the hourly tests applied by the chemists, the automatic filling of bags—whereby uniformity of contents is assured—and so on.

2. Yearly and district meetings, where experiences are exchanged and talks are given by heads of various departments.

3. A manual known as an Information Book, prepared and sent out on the loose-leaf basis and containing chapters or sections with such titles as "Facts about Concrete Roads," "Mixing and Placing of Concrete," "Watertight Concrete," "Proportions of Concrete," "Plans and Quantities," and many others. The size is $7\frac{1}{4}$ by $4\frac{1}{4}$ inches. See Exhibit 114, Section IX.

4. A general house organ known as *Alpha Aids* sent to all dealer-trade and to a selected list of architects, contractors, town and county officials, prominent users of cement, and so on.

5. An interior house organ or bulletin known as *In the Family*, giving notes and items of various kinds of interest to the men who are responsible for sales.

6. Subscriptions to the technical magazines specializing in the field of concrete construction. These magazines are supplied to the traveling men, to the branch offices and are also passed around among various departments at the home office.

7. Bulletins of the Portland Cement Association, which issues a large variety of literature dealing with concrete roads, concrete streets and alleys, concreting in cold weather, concrete dwellings, concrete in mining practice, and so on.

Systematic Training as a Life Insurance Executive Sees It.—John A. Stevenson, at present one of the vice presidents of the Equitable Life Assurance Society, of New York, and formerly director of the School of Insurance Salesmanship at Carnegie Institute, recently gave a leaf out of his experience in a general magazine of broad circulation. Mr. Stevenson sees the situation in this light:

How do men learn to sell life insurance or silk stockings, or how do they learn to run an office? The commonest method, of course, is by trial-and-error. It is long and laborious, and the mortality is frightfully high. Most employes enter business in this fashion, finding their way as best they can.

The next stage was when some bright chap came along and said, "Why not train employes?" Suppose the idea was to train bank clerks. What did they do? They gave a course in banking, and

another in economics, and so on. The courses were jammed full of information, all right, but mostly they had nothing to do with the subject. The course was probably taught by a professor who had never done the work of a bank clerk and he used as the content of his teaching a book written by another professor who had hardly ever been in a bank.

Possibly nine-tenths of all salesmen today are untrained. They are employed and sent out on the trial-and-error method. The next higher step is a general course in the principles of salesmanship, which does not get down to the specific difficulties of selling the particular article. In some cases the salesmen are taken around to shake hands with the vice presidents of the company, and then the sales manager gives them a general hot-air exposition.

A view expressed by Mr. Stevenson, and which is supported by the experience of other managers, is that any kind of reading or training course is likely to raise the general intelligence of an employe and to somewhat increase his facilities, but particularly among employed salesmen is there a desire for instruction that relates specifically to the work they have undertaken. There is undoubtedly a field for general salesmanship instruction, as is attested by the success of a great many evening classes and a number of correspondence courses. Such courses, studied by men who, if employed, are employed in a variety of businesses, cannot include much specific instruction on any one topic of business.

Some employers find such courses and schools a good recruiting ground for the securing of additional salesmen, but when it comes to intensified training of a few weeks or a few months to acquire proficiency in selling a specialized service, one product or a special group of products, a different type of textbook, manual or course is needed, particularly if a large proportion of the men employed are those of more or less experience in selling. It is obvious that the need for rudimentary instruction in salesmanship increases in proportion to the lack of selling experience on the part of the candidates.

Carnegie Institute's Method of Teaching Insurance Salesmanship.—In preparing for the life insurance course at Carnegie Institute, which course has been used as a model by a number of other life insurance instructors, the men behind

the movement recognized that a mere idealistic course of lessons appealing to young men of literary tastes or to instructors of this trend of mind would not do. The actual problems and conditions of hundreds of life insurance salesmen were studied, in order that the right material might be secured and presented in the minimum of space.

In addition to interviews with a large number of successful life insurance salesmen, the compilers of this course clipped extensive files of trade journals, reports of life insurance conventions, copies of sales bulletins issued by the most successful companies, and so on. The best textbooks on life insurance and life insurance salesmanship were reviewed.

While this meant a great deal of work, it was found that, after all, the situation was much like that in the experience of the National Cash Register Company. This Dayton concern found that there are only a limited number of objections made by prospective purchasers and that these objections come up again and again in the experience of every salesman. Every insurance salesman of any considerable experience has been obliged to work out effective methods of meeting such objections as "I have all the insurance I need," "I can't afford to pay for any more insurance than I now have," "I can put money in the bank and have protection at a lower rate than an insurance company will give me," and so on.

The experience of life insurance companies that have prepared manuals or courses is very similar to the experience of other organizations. They have found that salesmen of any experience are on the defensive when some course or manual is presented with the suggestion that it is a volume of sales wisdom. On the other hand, if the book is presented with the label or suggestion that it represents an "experience meeting" of successful salesmen, or "Fifty Tested Methods," they are receptive to the information. He is an exceptional member of the sales organization who will not read a live account of how a score of men of good records in selling managed to get past the barriers of the outer office and in to see the prospective policyholder under favorable conditions.

How to Secure Sales-manual Material from Salesmen.—Some suggestions have already been made in this Section as

to how this vital and practical kind of information can be drawn from the most successful salesmen. One good suggestion is that when a job of this kind is in progress a number of the men be asked to jot down from day to day questions asked by customers or prospective customers. In a short time, the range of these questions will present the conditions or obstacles to be overcome.

Reportorial Ability Valuable in Compiling Sales-manual Data.—Some capable new salesman of reportorial ability can be of great aid if he is sent out to ask a number of the best salesmen how they handle certain conditions; what they do with men who habitually decline to be interviewed on the subject of insurance (or any other subject); how they handle those who argue disagreeably about some reason for taking insurance; how they arm themselves with names of prospective policyholders and items of personal information or interest.

A successful life insurance salesman, though he may not be a ready letter-writer, is usually apt in answering questions on these points and will cite many illustrations.

Who Should Superintend the Compilation of the Manual?—The sales manager may or may not be the best man to superintend the compilation of such a course or manual. Naturally, it would not be policy to ignore his views, but, as an executive of pronounced teaching ability puts it:

Too often an organization picks out a good sales manager who has been successful because of his personality or a rich territory. Then he tries to cram his own methods down the throats of all his men. He fails to give them alternative methods. He is dogmatic about how to pick new salesmen and other similar details.

Successful administrators, successful individuals, are all right in themselves, they have their own successful methods, but other equally effective methods are not irrigated into their systems. They don't share other men's experiences. Most self-made men think they can pass judgment on everything. They have arrived by the trial-and-error method and are very good if they survive. Indeed, their methods must be good for them to survive, but from the very nature of the case they have had little chance to share experience with others, for it has been devil take the hindmost.

Mining Salesmen to Sell Lubricating Oils.—A manufacturer of lubricating oils gives the following information with reference to the training of his salesmen:

We have found it quite necessary to educate our salesmen along technical lines, and this is especially true in the case of salesmen who are selling industrial oils for the lubrication of plant machinery. Our salesmen who solicit the business of the plants are in a sense men trained on lubrication, and we have a staff of engineers to back up and intensify the efforts of these trained salesmen. We sometimes find it necessary and advisable to send an engineer into a plant—usually a good-sized plant—to make a thorough analysis of the machinery in that plant and its lubricating requirements. In the case of smaller plants, this is not necessary, as our salesmen are perfectly well equipped to make the correct recommendations, through standard information, and to sell the oil that will best meet the particular requirements.

The education of our salesmen has been accomplished largely through printed material. We have prepared and distributed technical pamphlets on most classes of machinery, and are sending to our salesmen constantly a great deal of educational matter of all kinds on lubrication subjects. In addition, we have educational meetings for the salesmen, and at each branch we have what we call a technical assistant manager, whose work consists of directing the efforts of the engineering staff at each branch and educating the sales force along the line of their particular problems.

Experience of Firearms Manufacturer.—Before the World War, this manufacturer always had his salesmen recruits brought to headquarters in New York City, where they were given the necessary training in the factory and offices to equip them for their work in the field. But the war brought about a change. Factory conditions during that period made it impracticable to train salesmen there.

The result was that the company found it to be more satisfactory to give the recruits a little practical work on the road before they were brought to the factory for intensive training. So the practice today is to leave the actual employing of new men entirely in the hands of the district managers, making them responsible for selecting applicants who will make good salesmen.

The company attributes the success of the latter plan to the fact that by getting out and coming in actual contact with the trade the men are better able to grasp things that they afterwards see and hear when at the home office and factory for further training. The men are urged to make notes of the various perplexing matters that come up during their preliminary experience on the road, so that they may be able to discuss these things intelligently when their home office training begins. It was also learned that, no matter how good a new man may be, he is likely to feel timid and retiring if brought immediately into contact with the home office officials, whereas if his trip to New York is postponed and he has a chance to become more or less acquainted with the officers of the company through correspondence, this feeling is largely eliminated.

Clothing Manufacturer's Method.—A large manufacturer of clothing makes a practice of filling vacancies on the sales staff, except in very important territories, with young men who have had some training in the manufacturer's plant.

The young men selected for this work, or preliminary course of instruction, are preferably college graduates. It is not regarded as essential that these men have any previous business experience. These recruits are put to work in the order department first, if that be possible. This enables the applicant to become thoroughly familiar with the different products handled by the concern. Later on, after he has absorbed considerable information in the order department, he has an opportunity to handle some of the routine correspondence of the firm, and, when the applicant becomes reasonably proficient, he is given some kind of a subordinate position in the offices of one of the sales managers, or assigned for some special work in a branch stock or sales department.

When this supplementary training has been completed, a man is assigned a territory of his own and put to work, under the supervision of a sales manager or a branch manager, so that his training will not stop but be continued as long as he is a representative of the firm.

In emergencies, this firm has placed on its sales staff men taken directly from the factory, but this never proved very satisfactory and has largely been discontinued.

In important territory when it becomes necessary to fill a vacancy in the sales force, through resignation, death or some other unavoidable cause, the clothing manufacturer finds that it is a good plan to promote a good man from a smaller territory. If conditions are such that a transfer or promotion can not be made without serious inconvenience, it becomes necessary to look outside for a man who can cover such important territory properly.

This manufacturer considers his plan a very effective one, because the salesmen are trained properly without undue expense to the concern, since the work that they are actually able to do during their training largely offsets the training expense.

Stove Manufacturer's Plan.—A prominent stove manufacturer says: "Our sales force is limited as to number. Practically all of the men have been with us a good many years. When we do have to take on a new man, he has to go through a course in the manufacturing department, the engineering department, etc. Then he gets some actual work with other salesmen out on the road, as well as following up complaints with them."

This manufacturer has in a small way also attempted training of the retail salesmen who handle the furnaces he puts out. Such training is in charge of the retail department of the home office. Although the experience of this manufacturer in this particular work has been rather limited, he has done enough of it to see that the results justify the effort.

How a Big Specialty House Regards Home-office Training.—A ten-million-dollar manufacturer of a mechanical specialty takes a broad view of the matter of training and equipping salesmen to sell his product. This concern goes on the theory that well paid, successful salesmen are seldom disloyal or dissatisfied, that it is the man who is unsuccessful or who is not getting out of his work the pleasure and satisfaction to which he is entitled, who will be constantly on the alert for a field offering better opportunities.

This concern attributes its success in a large measure to the fact that it has established a method of training salesmen which makes them successful and therefore perfectly content to remain with the organization.

As far as possible, the plan is to select salesmen candidates from the clerical and operating forces, the belief of the organization being that it is unwise to go outside for salesmen.

As soon as a man has been chosen, he receives a pair of overalls and a kit of tools and is put to work in the factory. As he starts his work in the factory he is told what the firm has in mind for him and he is impressed with the importance of learning all that he possibly can in the few months that he will be in the factory. Especially is he cautioned to gather all facts about the mechanism of the product that will have sales value, and he is encouraged to ask questions. He is taught salesmanship in the very beginning by being told that he must "sell himself" to the various foremen under whom he works, and as he is constantly shifted from one department to another, he comes into contact with many different types of bosses and mechanics. During this stage of his progress, the candidate is required to write out a daily report of what he has learned and the relation of the facts to one another. Then, at the end of each week, he holds a sort of inventory interview with himself, based on a sheet of instructions that has been given him. Carbon copies of these reports go to several different officials interested in the training of salesmen. The knowledge that these men are ready to help him over the difficult places and are taking an interest in his development encourages him to increased effort. It is also held that the writing out of the facts that he has learned will serve to fix them more strongly in his mind.

These months in the shop also reveal to the recruits the many things that they do not know about mechanical specialties and gives them a close contact with the type of man to whom they must sell the goods eventually—earning for the mechanic and the foreman the wholesome respect to which they are entitled.

After acquiring this foundational knowledge of how the product is manufactured and its most valuable selling features,

the candidate is put into the field as an assistant canvasser. His duty now is to find leads for the salesmen, to help the jobber in his office and selling work and to assist in the closing of orders. Later, he is permitted to close an order now and then on his own responsibility. Still later, he is put in a branch office as a junior salesman. After a reasonable apprenticeship in this field, he receives a territory of his own and is regarded as a full-fledged salesman.

(Summarized from *Printers' Ink*)

Westinghouse Electric and Manufacturing Company's Plan.—Every salesman who enters the service of the Westinghouse Electric and Manufacturing Company is required to do three months' work in the assembling department of the factory. Following this period, he goes to the "test floor" for another three months.

During these months, the man and the work that he does are closely observed in an effort to try to find out just what his natural inclinations are—whether he is better adapted to technical, semi-technical, general merchandising or publicity work.

When the shop-and-test training is over, the candidate is required to spend at least a month in the publicity department and from one to three months in the departments handling orders and contracts.

All this practical work is supplemental to a regular course in salesmanship, to which the applicant gives part of every week. The instruction in this course is varied according to the department or branch of the work in which the candidate expects to be employed eventually.

Plan of the United States Gypsum Company.—The United States Gypsum Company maintains a training school with a director and staff of assistants to enable the salesmen to attain the very complex knowledge they must have for the good selling of the product.

Enrolment in the course is not compulsory, but every one, even the district managers, willingly enroll. The course is given in correspondence form—a series of pamphlets arranged with review questions at the end of each. The

questions are such as to require conscientious study of the text. The men have full time for mastering one pamphlet before another is sent.

The ratings a man attains on his lessons are not divulged unless he becomes negligent; then his district manager is notified. Reports showing the average standing of the various sales districts as a whole are issued regularly. In preparing the course it was assumed that the student has only an ordinary education, so a useful review of commercial subjects is included, along with clear instruction about the properties and uses of gypsum, the estimating of building costs, reading of plans, and so on.

Monroe Calculating Machine Company's Platform.—Men wishing to join the selling organization of the Monroe Calculating Machine Company are informed immediately that preparation includes six months' training. This training begins at the particular local office to which the candidate has applied. Here he is coached as to approaches, meeting objections, manner of entering an office, manner of introducing himself and giving a preliminary talk about the company's machines. Manipulation of the machine and other practical matters are taught by well qualified instructors and district managers. All this preliminary training takes about three months. Following this coaching, four weeks are spent in the factory. There the candidate studies mechanics and repairs. Other features of the training are study of standard office practice, the making out of reports with the machine, and information about the use of advertising material.

The Monroe method includes attention to the salesman's voice and the effectiveness of his delivery. During the period of training the salesman is tested in the presence of all the members of the class and the company's executives.

If the applicant survives this training, he is made a junior salesman. Here he is under the guidance of an experienced man who permits him to get experience in all branches of sales work. After six months, he is assigned to his own territory.

Burroughs Adding Machine Company's System.—This well known company has a new plan for training every sales-

man in its large organization. The work is done mainly by "district instructors," who are thoroughly instructed at the home office of the company in Detroit in salesmanship, accounting methods, the various systems suitable for different businesses, and so forth. These district instructors are placed in charge of salesmanship schools in different sections of the country, it being the plan of the company to allow its representatives to study as they work. The training comprises textbook work, a study of the manual of the company, demonstrations and a unit study of systems and methods. In general, about one year is required for going through the complete course, though it is so laid out that the men may take the work gradually. The study material is arranged in individual units, with instructions as to what to read, what to memorize. Each unit contains a set of trial questions to be answered, and a set of problems, giving the student ample opportunity to apply the text learned to actual conditions in his field.

Each student is examined every sixty days by the district instructor, and a certain grade has to be made in order to pass. If this grade is not made, the student has to do further studying. Failure to secure a satisfactory standing on repeated examinations will mean dismissal for the candidate.

This method has the advantages of the correspondence school plan, combined with the benefits that come from having an instructor right on the ground to help the students over the hard places and to give the necessary encouragement to those who may not feel that they are making the progress they should make.

The Burroughs Company also supplies what it terms a sales manual for beginner-salesmen of the retail dealers, wherein the most important technical features of the Burroughs machines are explained in such a way as to be easily understood, with special selling arguments for the various systems and outfits.

Educational Methods of Toledo Scale Company.—The educational plans of this company are built around the belief that a thorough knowledge of the history and ideals of the company is necessary, as well as a knowledge of the product

and successful ways of marketing it. This information has been put together in standard textbooks, forming the basis of the course, which is divided into two parts, the first part covering mechanical training and the second part salesmanship and business training. Accompanying the textbooks are research questions indicating what the salesman will be required to learn and review questions, the object of these being to ascertain just how the salesman is progressing. A final examination is given by the director at the conclusion of each subject or study.

First of all, the student has a trip through the factory in order that he may be properly impressed with the size of the plant and get some idea of the operation of the different departments, the many steps necessary in the manufacture of Toledo Scales, and so, on and become somewhat acquainted with the executives of the company.

In the mechanical instruction, the salesman becomes familiar with the many different types of scales and has actual practice in adjusting and operating each type, as well as information in assembling and dismantling. In the salesmanship and business instruction, he is taught the selling value of his mechanical knowledge, methods of demonstrating different scales, how to work his territory, how to secure new prospective customers, how to follow up leads and inquiries, the saving effected through correct weight, and given instruction on orders and consignments, accounting, collections, service salesmanship, how to make analysis of the weighing needs of different businesses, and so forth.

American Radiator Company's Procedure.—The applicant for a salesman's position with the American Radiator Company must pass intelligence- and sales-ability tests before he is put on the floor of one of the show-rooms for several weeks. Then, he spends a month at the research school in Buffalo studying every phase of production. During this study, he operates a regular model boiler for twenty-four hours. Next, he spends several months canvassing from house to house. Then, his apprenticeship is continued with a salesman in a crowded territory. At the first opportunity to create a new route or field, he becomes a regular salesman.

Holcomb and Hoke Manufacturing Company's Method of Training.—Believing that a man who has not seen the "Butter Kist" popcorn machines made is not in a good position to sell these machines, Holcomb and Hoke, manufacturers of these outfits, have made it a practice to have each new lot of sales recruits brought to the home office of the plant at Indianapolis, Ind., and put through an intensive course of training.¹

The training given the salesmen requires about four days' time. This seems very short, but it has been demonstrated that a great deal of practical information—about all that the average recruit needs for a successful record—can be crowded into this brief period.

First, the sales manager of the manufacturer gives the men an outline of the sales policies and a general idea of what the organization is striving for. Particular stress is laid on the work that has been done, and actual instances of successful selling are cited, with the information that these men who are so successful had no more preparation or experience than the group being addressed.

After this, the sales instructor demonstrates to the class just how to make a sale, using as a basis an actual Butter Kist Popcorn machine. He tells the important things about the machine that the buyer will want to know; how to get a hearing; how to demonstrate the machine to the best advantage, and how to close his argument. Most important of all, however, is the machine. The men are taught to know it thoroughly—not only the mechanical construction and operation—but the purposes for which different models have been made.

The third step in the program is taken up by the advertising manager, who outlines the cooperation that his department gives the selling organization and explains how the salesmen must look after the inquiries that are turned over to them. The value of inquiries developed from national advertising is impressed on the men by telling them that nearly half of the business done by the firm is directly traceable to these inquiries.

¹ Described in detail in *Sales Management*, August, 1922.

The credit manager also takes a hand in the training of the salesmen by explaining how orders should be made out to avoid errors and misunderstandings. The salesmen are also instructed as to the credit information that they are to supply the home office in submitting orders.

Informal talks by the owners of the business complete the course of instruction. The entire program is laid out according to a fixed plan, using as a basis a book written by Mr. Holcomb, entitled "Salesology." One attractive feature of this book is the section dealing with objections which the salesman is likely to meet. These are covered definitely, with argument for overcoming each.

During the instruction the men are called on in turn to give the other members of the class a canvass, using the sales kit in doing this, so that if proper use is not made of the printed matter, testimonials and photographs, the instructor can point out how the sales argument of the candidate may be improved. There is the freest and most friendly kind of discussion during and after these demonstration sales.

International Correspondence Schools' Method.—The International Correspondence Schools employ representatives selected by the district superintendents, but these engagements must be finally approved by the home office, because the contract is with the home office and is in writing. The men are made familiar with the service to be sold by the following methods:

1. A seven-part course in salesmanship, which may be completed in eight to ten weeks. The course deals with the origin, history and growth of the institution, and with practical field methods, including a section on salesmanship. This course is studied by the old men as well as the new men, and the answers to examination questions are sent to the home office for grading.

2. Coaching by superintendents and supervisors to supplement the knowledge derived from the course of study. This coaching includes actual sales presentations and methods of advertising, including window-displays. Introductions are arranged with numbers of successful students now occupying

leading positions in the community as a direct result of I. C. S. courses. These contacts are most inspiring to the representative; they convince him more than anything else of the real value of I. C. S. service and instil enthusiasm.

3. A complete demonstration outfit, including an I. C. S. Scholarship Manual, concisely describing the contents of each course and giving such other information relating to the courses as will help the representative to enroll prospective students for the proper course, and a three-ring binder, in which are fitted facsimile copies of corrected lessons, drawings and testimonials.

4. A field representatives' magazine entitled *The Messenger*, sent out every week. These issues give useful data about courses and instruction methods, endorsements, successful students, and so on. Every week in *The Messenger* is included a 1-page insert called "The Council Fire." This is printed on canary bond with an orange and black heading, portraying an Indian Council in session. The insert is perforated to fit the standard binder. "The Council Fire" is strictly a field man's page; that is, it includes only those discussions of I. C. S. selling problems that are prompted by questions sent in by field men, the answers to which are supplied from the experiences of other field men.

5. General catalogues and special catalogues of the various courses.

6. Trips to the home office as the result of winning contests, meeting quotas, or other special requirements.

7. Visits of men sent out from the home office to talk to groups of field men.

8. Experiences of successful students, endorsements of employers, and so on. This includes lists of names and addresses of successful students—students of drawing courses being in one list, contracting-course students in another, advertising-course students in another, and the like.

9. Ready access to volumes or text of courses, drawing and other outfits.

How the Aluminum Cooking Utensil Company Prepares Salesmen.—The Aluminum Cooking Utensil Company, New Kensington, Pa., sells a large variety of aluminum ware for

household use, as well as special equipment for hotels, steamships, etc.

For its house-to-house canvassing, this concern has been particularly successful in securing and training young college men. Its force of representatives for calling on stores and hotels is made up largely of recruits from those who have sold direct to consumers. The company is, therefore, in a position, before it employs a man for work in the retail field or on hotels, to know what his selling ability is. The "Wear-Ever" manual—one of the standard features of the Aluminum Cooking Utensil Company's sales work for the "Wear-Ever" salesman—is a loose-leaf manual with a page measuring $3\frac{3}{8}$ by $6\frac{3}{4}$ inches assembled in a durable binder. The loose-leaf pages are gathered under the following index headings:

General	Credit Dept.
Mailing Dept.	Shipping Dept.
Order Dept.	Traffic Dept.
Specialty Sales Dept.	Claim Dept.
Trade Dept.	Filing Dept.
Hotel Dept.	Bulletin Dept.
Consumer Dept.	Advertising Dept.
Contract Dept.	Library
Accounting Dept.	Index

The material in this book is arranged in the form of questions and answers. This method encourages pointed presentation and discourages "essays." This book is also regarded as the textbook for class work. The company has followed the practice of holding classes for training salesmen once or twice a year, including in this class not only some recruits who have not sold the company's goods at all, but also men in the field whose records showed them to be in need of training. Since the Great War, the company has not been able to carry on its class instruction as consistently as before that time. Lately, the plan has been to have a new man in the home office about a week and let him receive the rest of his training at a district office.

The Aluminum Cooking Utensil Company has been particularly successful in engaging and training college men for

summer time selling work. At the time this text is written, its college-men organization, working only during the summer months, consists of 1,500 representatives. In addition to this, there is a force of 1,500 others who are all-year men—that is, men who are in the work to stay and who will not return to college.

The company has at times employed women, and a few of the women workers have done very well. In general, the district managers find that territories are worked more profitably by men than by women.

House Organ Instruction.—The Aluminum Cooking Utensil Company publishes several house organs constituting a continual contact between home office, district office and men in the field—both men covering stores, hotels, etc., and those doing house-to-house work. The house organ work of the Aluminum Cooking Utensil Company has been of a distinctive kind in that the experiences of the men themselves form a good deal of the material. Prizes have been awarded for the best experience on getting an interview, for the best account of how a demonstration closed a sale, “How I overcame a strong objection,” and so forth. Anyone who has given much attention to the psychology of business can understand how salesmen are ordinarily more impressed by successful experiences of their fellows than by preachy advice handed them by a desk sales manager.

There is one house organ for the house-to-house salesmen and another for representatives covering stores and hotels. The latter group receives both house organs.

Baker-Vawter Company's Method of Training Salesmen.—This well known manufacturer of loose-leaf systems and office equipment, after selecting salesmen who he feels will make a success of marketing their products, has these men come to the general office at Benton Harbor, Mich., where they are put through a regular course of training, covering a period of seven or eight weeks.

The new salesmen are then assigned to territories, in charge of a district manager. The district managers are men who have grown up within the organization and who have been

promoted to this position after years of successful selling experience.

Under the district managers, the salesmen receive additional coaching and training, this being made a little more specific, to fit each salesman's particular problems, than was possible in the general instruction given at Benton Harbor.

Supplementing all of this, the company furnishes each of its salesmen with a sales manual, which is really a private instruction book on the subject of Baker-Vawter systems. The company also from time to time circulates helpful material through its house organ, which goes to salesmen only, and which contains instruction of a definite and timely character.

The Baker-Vawter Sales Department comments on its system as follows:

In our sales efforts, we carry on from time to time definite selling campaigns, which have for their purpose the object of securing business and creating prospects for future business, and also a large purpose in training the men in a greater knowledge of the products and better methods of presentation.

We have in the general sales department an educational department, which functions with the sales promotion department in preparing and distributing educational literature to the salesmen. It requires men of a high type to market our products, and our proposition is a highly specialized form of merchandising.

Our salesmen must be familiar with office routine in banking, manufacturing, retailing, wholesaling, and various other kinds of offices in order to be able to present our methods successfully and apply them to the conditions existing in the office where they are to be used.

The Sherwin-Williams Company's Plan.—The plan of this well known national advertiser combines factory training and field work in such a way as to produce the maximum result.

In the opinion of the executives of this concern, two weeks at the factory afford ample time for new men to receive the preliminary instruction that they can absorb with profit before getting into actual selling work. During this time, the new man gets a working knowledge of manufacturing methods that can be added to when he gets actual experience in the field. Likewise, the field work dovetails with the fac-

tory knowledge and enables him to tell what are the essential things he ought to know.

The first week at the factory is given over to instruction about the various paints, varnishes, and the materials of which they are compounded. The men are shown exhibits of lead ore, blue lead, partly corroded lead and white lead ground in oil. It is regarded as essential to give the men a simple though graphic illustration of the details of the manufacture of white lead, inasmuch as white lead is such an important paint ingredient. The second week at the factory is devoted to study of insecticides, disinfectants, coal tar products, and soaps; to trips of inspection through the company's many offices; and to a grasp of the advertising and sales aids gotten out by the company.

After two weeks at the factory, the men are put on the road for two weeks of actual selling work and then brought back to the factory, when a more intensive selling training begins. The little selling experience has served to emphasize the importance of absorbing and applying the information available at the home office. The salesman has been able to make notes and the discussion of perplexing situations and problems with the sales manager gives him a groundwork knowledge that is bound to help him all through his selling experience.

While this firm believes that a salesman actually gets more good out of his experience when he is allowed to work entirely alone, it is customary for the sales managers to make frequent trips into the different territories and give to the new salesmen whatever coaching seems necessary.

One of the most important selling aids given to the salesmen is what is known as the "A B C of Home Painting." This manual contains information as to the various uses for Sherwin-Williams paints, with a cross index that enables the salesman to tell in a few minutes the kind of paint that is best suited to a particular job.

During their training, the men are encouraged to ask questions, with the result that many new and valuable ideas have been originated.

(Summarized from *Printers' Ink*)

How the Packard Motor Car Company Handles Training.—The Packard Motor Car Company conducts a periodical course of training at its headquarters.

The session lasts from one to two weeks and is given only to those men who have already had some field experience. Evidently this firm, like many others, believes that some practical experience in the field is desirable before the men are really capable of making the best of a course of training at the factory.

The training given by the Packard people is of a very intensive nature. The morning hours are given over to lectures by the various executives of the company, while the men spend the afternoons of each day in the shops, where they are required to find their own answers to questions that may have come up during their work or during the talks by the officials of the company.

Training Methods of the New York Edison Company.—The New York Edison Company maintains a well-laid-out training course for employes and uses the last hour of one day each week as a lecture period. The company controls a large lecture hall equipped with desks suitable for taking notes. This lecture hall is also equipped for moving-picture instruction. In addition to company lecturers, outside lecturers are engaged, some of the most prominent business speakers of the country appearing on the list. These lectures embrace all subjects from practical illuminating to salesmanship, first aid to the injured, and so forth. Men as prominent as Steinmetz, the noted electrical expert, appear on the list of lecturers.

Method of H. J. Heinz Company.—A training school for salesmen is conducted at each of the branch offices of the H. J. Heinz Company. Each branch manager trains the men for his district.

The course covers a careful study of the particular way in which Heinz products are made and sold, gives the salesman a good grounding in the fundamentals of window-trimming and other sales helps, as well as information as to the proper use of advertising matter. The Heinz Company requires its salesmen to distribute all of its interior store advertising to the dealers. It is, therefore, important that they should

be well informed as to the best uses to which this material may be put.

A part of the time, during this preliminary training, is spent in a training room, maintained for that purpose, while another period is spent out in the field under the supervision of an experienced salesman, or the branch manager himself.

At various times the company conducts what it terms a sort of "post-graduate" course in salesmanship at the home office in Pittsburgh. The members of this class are made up from the older, most faithful salesmen all over the country. The object of this is to demonstrate to the men the importance of the principles which they have been taught at the branch offices. Thus, there is a coordination of effort among the branches and the home office, even though the groundwork is left in charge of each branch manager.

Method of the Fuller Brush Company.—This well known manufacturer of brushes maintains a school for branch managers and assistant managers at his headquarters in Hartford, Conn.

This school is conducted in a very thorough way, with lectures, demonstrations and actual work by the men in the classes. Regular tests and examinations are given on the work and the men are rated according to a certain standard. It is necessary for the men to make a required rating if they are to become managers or assistant managers of this concern.

The training of the salesmen is entirely in the hands of the manager and his assistants who are actually on the ground with the salesmen. After a certain amount of this groundwork has been given, it is followed up later by a correspondence course in salesmanship, which has been developed by the Fuller Brush Company in conjunction with some of the leading authorities on sales training in the country. Thus, the training of a salesman of this organization starts just as soon as he joins the organization and continues as long as he is with it.

A Leaf from the Gillette Safety Razor Company's Experience.—After a study of production and inspection methods at the factory, the Gillette Safety Razor Company's salesmen in-the-making are transferred to the general offices of the

company. There, according to the *Gillette Blade*, they receive necessary instruction and information with reference to the order department, the adjustment department, the sales analysis department, the credit department, the advertising department, and so on, the company regarding these subjects as being intimately related to a successful career as a salesman. During this training at the general offices, the salesmen learn the essentials of effective window-display and other sales helps, so that when they are out on the road they will be able to help dealers dispose of the goods purchased.

Last but not least, the candidate-salesmen are required to study sales methods and policies as practised in the sales department of the company.

When this apprenticeship is over, the candidates are put through an examination by the heads of the various departments in which they have been working before they are allowed to have territories of their own.

The National City Company's Method.—The National City Company gives the following outline of its method of selecting and training men to sell high-grade securities:

Previous to the World War, it was our custom to select the right type of young men to fill various clerical positions in the organization with the idea of eventually developing them into salesmen, if they showed qualifications along that line. There was no stated period of time that they were expected to spend in any one department. Their progress from department to department depended entirely on how many men it was necessary for us to select from time to time from our organization to engage in sales work. This method proved most satisfactory, but during the World War we ran into exceptional conditions and we were unable to continue this method. As a war emergency, we set up special training classes and recruited some young men not qualified for war work, although for the most part these training classes were made up of older men from other lines of business who were not subject to war service under the draft law. These training classes lasted from thirty to sixty days and the training consisted of a series of lectures by the heads of departments, with a certain amount of quiz work, and were usually carried on during the Liberty Loan periods when most of our organization were released from our own business to assist in Liberty Loan drives.

This afforded us an excellent opportunity to use the heads of our departments for the special lecture work.

This method of training was satisfactory to a degree and helped us keep an organization together during the war period. After the war was over and during active business conditions, it was not practical for us to take the time of the heads of the departments to carry on this work and, therefore, the above method of training was discontinued and we reverted to our former method of taking young men into our organization in clerical positions, with the expectation that they would spend from one and one-half to two years in the various departments after which time, depending on sales qualifications displayed, they were subject to consideration for active sales work.

Paying Experienced Salesman a Bonus for Instructing.—

One business organization reports successful results from the plan of putting each of its new salesmen on the road immediately, under the instruction of an experienced man. The experienced salesman is paid an additional sum each week when he has a recruit with him. For a day or so the "cub" merely observes the experienced man's methods. In a few days he is usually anxious for a chance to sell and the experienced man selects some easy accounts for him to tackle. Then the recruit is tried out on harder cases, with the assurance that the experienced man will help him if he strikes serious snags. At the end of ten days, the new man has usually acquired a fair knowledge of the conditions he will have to meet and is put to work on his own responsibility.

Traveling Photographic School.—Somewhat related to the plan of training the salesman of the manufacturer or the wholesaler is the method of a firm producing and selling photographic goods. This firm maintains a traveling school, which is of decided value even to the professional photographer.

The school travels throughout the United States, operating in one community for a three-day period and giving those who attend the helpful service of photographers who have specialized in some particular phase of the art. Its aim is to teach its customers how to do better work and make more money. The company takes it for granted that it will reap its own fair share of the result.

This training, as might be expected, abounds in illustration. It is common to have photographers close their studios for the three-day period in order to get full benefit of the exhibit and instruction.

Electrical School Operated by Group of Employers.—The Cleveland Electrical League organized a school for salesmen to pursue a course of study under a special instructor. Salesmen attended class for four hours every morning for a month, and then completed the course by attending one night a week for six months. The subjects studied included analysis of products for sales talking-points, analysis of the market, the value of concentrated effort over scattered drives, human nature study, the pre-approach, approach and various sales talks. Public speaking was included in the training to enable some of the men to give selling talks to groups such as committee or neighborhood meetings.

(Summarized from *Electrical Merchandising*)

TRAINING OF RETAIL SALESMEN

Part of this Section is devoted to the training of retail sales-people, because of the vital importance of good retail selling, not merely to the retailer but to the wholesaler and the manufacturer as well.

It cannot be too emphatically impressed on those who are interested in merchandising that retail salesmanship is not something in which only retailers are interested. There are, of course, business enterprises that are entirely independent of the retail store. These enterprises reach the consumer through the mails or else have their own representatives or agents. Even in these instances, however, it is sometimes impossible to draw the line between retail selling and other classifications of selling. Though retail or local selling may not necessarily be done within a store, it may comprehend all of the other elements.

An increasing number of manufacturers are giving their attention to the improvement of retail selling, working out plans to this end through retail employers and using also the traveling salesman, supervisor or demonstrator as a coach or instructor.

Whether the reader is interested primarily in a retail business or in a manufacturing or wholesaling undertaking that calls for a superior brand of local or retail selling effort, he is sure to find the following review of training methods helpful.

Expression from Wholesale Druggists' Association.—The following extract from the 1922 report of the National Wholesale Druggists' Association indicates the attitude of a very large group of wholesale merchants:

While on the subject of clerks, we want to offer the suggestion that there should be some systematic method of teaching them merchandising methods and the proper selling of some of the many items handled in the modern drug store. Why should not manufacturers, through their representatives and specialty salesmen, do helpful and constructive work in enlightening retail clerks regarding the ingredients, processes, materials, quality, purposes for which used, etc., of the goods which they produce and which these men are to sell for them? We understand that such educational work is being done among the retail grocery clerks by some canners and manufacturers of food products.

Among the thoughts brought out by members of this committee, we offer the one of the possibility of jobbing houses conducting regular conventions, for the purpose of educating retail dealers on new and modern selling and merchandising methods.

Another member has the thought of an experienced retail merchandising man working among the customers and friends of his house.

While both of these at first seem unusual, they are not impossible and should not be passed by without some consideration.

Another member of the committee suggests that the National Wholesale Druggists' Association have a department which would compile and bulletin articles that would be of help to our retail drug friends in their merchandising. Such service would draw wholesalers and retailers more closely together and make their relations more intimate. It also offers possibilities for creating a powerful, constructive agency that would command respectful consideration from manufacturers and national advertisers for wholesalers as well as retailers.

Opinion of a Retailer on Cooperative Educational Effort.—
“If I were a manufacturer selling through retailers, one of my first concerns would be to find some way to help at least my biggest and best dealers to educate their salespeople as to the best methods of selling my products. I believe that is going to be the next big step in cooperation between manufacturers and retailers.”

This was the essence of the reply given by the owner of three large drug stores when interviewed on selling problems by a writer for *Printers' Ink*. This prominent drug merchant added that "selling by clerks in retail stores is difficult and not properly accomplished because salespersons lack imagination and general education in merchandise and salesmanship."

Examples of Cooperation between Manufacturer and Retailer.—Good examples of cooperation between manufacturer and retailer are those of the Eastman Kodak Company, Rochester, N. Y., the Santox Company of Holland, Mich., and the John L. Whiting—J. J. Adams Company, of Boston.

Eastman Kodak Company, in addition to publishing a magazine particularly for the retail salesman, sends out a specially trained man who works with the salespeople behind the counter; this man not only tells how, but shows the better methods by actually doing the selling.

Santox men visit retail stores for a stay of a week twice a year to give help in selling and other matters.

John L. Whiting—J. J. Adams Company sends men who have expert knowledge of bristles to show the retailer's helpers how toothbrushes are made and why certain kinds of brushes are superior to others.

Such manufacturers' representatives must, of course, be tactful in order to work effectively with retailers and their helpers.

Silk Manufacturer's Experience in Informing Retail Salespeople.—Frank M. Prindle and Company, a manufacturer of silk underwear, has given some interesting details of efforts to inform retail salespeople of the company's products and to improve counter salesmanship. At the outset of the campaign this concern realized that the mass of retail salespeople will not receive instruction that is too obviously instruction. It is but natural that they will resent, or be non-receptive to, the efforts of a traveling salesman or instructor who condescendingly lets it be known that he has come around for the purpose of creating intelligent salesmanship. James True, sales manager of this organization, says, in an article in *Printers' Ink Monthly*:

Many years ago, our first effort to instruct salespeople was merely to gain their cooperation in overcoming this handicap. We are still doing this, for it is a handicap that doubtless never will be entirely overcome, but long ago the good results encouraged us to go farther.

About 10 per cent of the city department stores to which we sell will not allow any outsider to instruct their salespeople on any subject. But with the rest of our accounts we have made considerable headway.

A few of the stores are so interested that they allow our men to talk to their people in their assembly rooms. This is the most satisfactory method of delivering an oral message to salespeople, but, unfortunately, the opportunity is not frequent. In giving all other spoken instructions, the men must deal with individuals in the department.

Our salesmen never loaf around a department, hoping to talk with the salespeople at odd moments. Their work of this kind is done during the early morning hours when customers are few, and all of their talks are brief and to the point.

There are two important factors in delivering instruction of this kind. First, our men never approach the salespeople at all until they have permission from the manager of the department. They give the manager an outline of their talk and always comply cheerfully with all store rules. The other is that they spend most of the time in discussing the department, and mention our goods incidentally in their relation to the business of the store.

The instruction or information furnished by this company to retailers and their helpers is contained in a 16-page book of small size written in an interesting style and with no obvious effort to make the reader believe that the products of the Prindle Company are the only ones of their class that should be sold.

Exhibit 104, an opening page, gives a hint of the style of treatment.

Sherwin-Williams Use Both Their Own Salesmen and a Mail Course.—The Sherwin-Williams Company, well known paint manufacturers, have used successfully a mail course in Retail Paint Salesmanship. This consists of a series of bulletins designed to show dealers correct methods of applying paint and the possibilities for sales of paint. The bulletins are attractively bound and the material in them is inspirational

as well as educational. Bulletin 1, under the topic, "The Broader Viewpoint," introduces improved salesmanship to the retailers' helpers in the following inspirational spirit:

You pick up a Sunday newspaper. Across the top, in large letters, is a headline. Scattered throughout the paper at the beginning of each article are more headlines. If one reads the headlines in a well-built newspaper one can get the day's news almost at a glance.

The newspaper must have headlines. A conversation must have headlines, too. And in both cases the headlines must be interesting. Really, after all, the secret of being an interesting talker is that one must simply remember to insert some newsy "headlines" into the conversation. And isn't it very largely true when you are selling merchandise?

Doesn't a customer just "prick up her ears" when you say "One ounce of attar of roses, from which we make this extract, contains 25,000 blossoms?" Well, that's a *real* headline. Newsy, short, interesting.

In the following pages I am going to try to give you some of the headlines that I have picked up in selling Violet (pronounced Ve-o-lay) during the last 25 years.

ЕКНІВІТ 104.—The Prindle manual for retail salespeople is always handed to salespeople with some explanation. The experiences of a number of business organizations that have prepared manuals and merely sent them out to a mailing list with perhaps a general letter is that there are little or no good results. An educational plan calls for some persistent effort if anything tangible is to be accomplished.

There are certain fundamental things every man must know about his job. He must realize its relation to business in general. He must know what he is supposed to do. He must know the best way to do it.

There is no position in the commercial world more important than that of the retail salesman. You represent the connecting link between the manufacturer and the merchant and the great buying public. Through your hands pass all the products of the mills, factories and workshops. A manufacturer may stock a merchant, but until the goods have progressed through you to the ultimate purchaser, the sale is not consummated.

Today the retail salesman holds a position of trust and responsibility. He is the merchant of the future. Wanamaker, Marshall Field and other merchant princes started behind the counter. To you come the homeowner and housewife, mechanic and farmer for advice. You must know human nature. You must know the best business practices. You must know the merchandise you sell.

Some of the utilitarian, educational topics included in the Course are:

The courteous clerk
Become a specialist
Study human nature
Apparel oft proclaims the man
The liquids used in Sherwin-Williams paint
Linseed oil—how it is made
Turpentine—its origin and use
Objections to the use of white lead alone.

The retail salesman is coached in the use of this informational material. For example, he is advised:

Study the color cards. Do you appreciate the vast amount of time consumed in getting accurate data regarding the proper treatment of the surface, thinning, dyeing, etc., printed on these little folders? Don't let them become stale. Read them. Memorize the directions. Take S. W. P. first. Find out why it is better and more economical than lead and oil. Get convinced yourself, and you can then convince your customers . . . Get some wooden panels, 6 by 18 inches, and make endurance tests. Compare S. W. P. Outside White with the leading competitor in town. Brush them out side by side, notice the spreading power, covering, opacity, color, etc. Expose them on the roof where you can study the wear. Show them to your customers.

Coaching Work of Sherwin-Williams Salesmen.—The Sherwin-Williams salesmen make it their business to coach dealers on how to get and build business. After attending to his particular business with the dealer, the S.-W. salesman casually inquires about how active construction work is in the locality. If the dealer informs him that there is none, the salesman very likely refers to several operations he has observed. If the dealer does not take the hint, the salesman goes out for the business and is usually successful in turning in an order or two.

In going about the neighborhood to see what construction and remodelling work is going on, this salesman does not hesitate to inquire of the workmen on the job the names and addresses of the owners of the buildings or those who have the painting contracts. Calls on these frequently bring good-sized orders that impress an unenterprising dealer with the

fact that he could get this business, if he, or one of his men, solicited it.

In a rural district a S.-W. salesman took paint from the dealer's stock and carted it about the country in the dealer's truck. Going from farm to farm he sold large quantities of paint for farm buildings, some of which had not had a coat in ages. It is said that in one year the salesmen of this manufacturer sold, for local dealers, the paint for 5,365 jobs, amounting to 68,538 gallons. Such demonstration salesmanship can hardly have any other effect but that of increasing the alertness of the dealer and his helpers.

(Summarized from *Business*, February, 1921)

Edison Electric Appliance Company's Experience with Training Course.—The Edison Electric Appliance Company, of Chicago, prepared and offered the electrical fraternity, particularly dealers and their employes, an Electrical Salesmanship Course. This was announced in the form of an elaborate prospectus. An enrolment of more than twelve thousand students was attained in about six months' time. The average amount of work done by students was not very impressive, the general average being only two lessons. Nevertheless, the opinion of the trade was good, and it is reasonable to suppose that the course of instruction accomplished more than is indicated by the low average of tests or sets of answers sent in for review.

TRAINING OF INSTITUTIONAL SALESMAN

Dr. Henry C. Link, in *Administration* for October, 1922, makes interesting observations on "institutional salesmen," which are here summarized:

The term "institution," as used here, is intended to designate only a business enterprise of distinctive characteristics, particularly characteristics which manifest themselves to the buying public through a company's methods of marketing and the quality of its product or service.

The best known institutional type of business is that of chain-store organizations. A good example of this type of organization is the Liggett system. A Liggett drug store assures the customer standard articles at prices comparing favorably with prices at other stores, and satisfactory service. This is as worked out by the Liggett plan. The kind of service

rendered being very essential, the training of retail salespeople is very vital. Therefore, the Liggett Stores, the Atlantic and Pacific Tea Company, the Piggly Wiggly Corporation, and others, maintain training stores where perfected methods of arrangement and operation and sales procedure are in use. All stores are constantly checked up by traveling instructors who also inform local managers about the newest merchandising plans.

The Larkin Company represents an excellent example of institutionalism and its effect upon sales practice. Twenty years or so ago this company made soap and hardly anything else. An unusual and most successful plan was developed for selling the products. Soaps and kindred articles were sold according to the "Larkin Idea," namely, a premium plan. The methods, catalogues and other literature were so definite and unique as to give the name "Larkin" special significance.

These methods were so skilfully worked out that any one could follow them; at one time 95 per cent of the Larkin products were sold through women's clubs and by children.

* * * * *

These examples illustrate definitely, even if not comprehensively, the elements which, singly or in their entirety, must be present in any business enterprise which aspires to the distinction of being an institution. To enumerate, they are:

1. A product or service of known quality and, preferably, of known price.
2. A distinctive method of marketing.
3. Distinctive sales literature, *i.e.*, trade-mark, advertising, catalogues, etc.
4. A stable and consistent policy covering every contact point with consumer (or with dealer or both), and the mechanism to carry this policy into effect.

A form of institutional organization that is constantly growing is that of manufacturing concerns selling through their own branch stores or to merchants who either specialize on one manufacturer's products or handle such exclusively. This has come about through the necessity of rendering service to the consumer with the sale of the product. Typical examples are retail stores for the sale of tires, automobiles, sewing machines, electrical appliances, graphophones and Victrolas, dictaphones, calculators, cash registers, typewriters, and like articles. Since with all sales of these goods there must be guarantee and service, manufacturers find it advisable to have such retail stores act as service stations to carry out the guarantee. The Ford Company is excellently established in the public mind as an institution. Not only the standard perfection of the Ford car, but the serviceability of the car, the kind of guarantee, the conveniently located and efficient service stations; these and the company's well-worked-out organization details effectively applied, serve to impress one with the institutional form of business, and, in this instance, its chain-store-like service.

Other notable examples of such organizations are National Cash Register Company, Singer Sewing Machine Company, Winchester Repeating Arms Company, United States Rubber Company's retail tire business also other rubber manufacturing companies, some typewriter companies, and oil companies such as Texaco, Socony, Tydol, and others; also the makers of motor trucks such as the Mack Truck Company. These highly specialized products require in their distribution a particular kind of service most satisfactorily rendered through the company's branch store—or possibly through the company-controlled agency.

The significance of the institutional type of training rests upon the fact that such institutions as those referred to have developed the products and marketing methods which give them their character and which place them in a position to train their salesmen in terms of their institutional characteristics. They do not have to rely upon those general, stereotyped courses which concern themselves so largely with vague psychological principles, with types of appeal, with direct and indirect approach, the immediate sale and the deferred; the cultivation of tact, and so on. Instead of teaching their salesmen the *art* or *science* or the *knack* of selling, as expounded in a book which some one has written upon the subject, such institutions are able to train their salesmen in the methods of selling which they, as institutions, have developed. The National Cash Register Company, for instance, does not train the salesmen of its local offices in the *art of selling* but in the *art of selling National Cash Registers*. And since the art of selling National Cash Registers consists of carrying out the institutional characteristics of that company, its position as an institution is still further enhanced.

There is still another type of institution, the dealer type. Here the complexities to be reckoned with arise through the dealers over whom a concern has no definite control and it is here that the manufacturer's salesmen can be instrumental in bringing about dealer cooperation. It is their business to convert the dealer to the manufacturer's organization methods and get him to carry them out in his sales to the consumer. The kind of training a company must give its salesmen in order to effectively "sell" its policy is vastly more important than in the case of chain-store institutions whose retail-store transactions are under rigid supervision and control.

Work of United Drug Company.—The United Drug Company carries on a dealer and dealer-salesman educational policy through conventions, meetings, sales plans, and the like. The conventions, lasting two days, are held in every state and are called Rexall State Club Meetings. During part of the program, films are shown depicting the processes of manufacture from raw material to finished product of articles sold in drug stores, and also of drug-store procedure. How to sell,

the distinction between good and bad service, and how to display goods are some of the topics for discussion. Special reference to the company's merchandise is avoided.

Then, there are "Salesmen's Meetings" held at regular intervals. These are conducted by department heads of the company, who relate carefully the complete plan of merchandising. The conferences are greatly productive of renewed interest and improved ideas, as is well attested by the many thousands of enthusiastic letters received.

The United Drug Company fosters combination sales and for this purpose furnishes, through its sales promotion department, for a small sum, fifty-two window-displays, one for each week. Cards, interior displays and selling ideas are supplied.

The object of the educational campaign is well expressed in one of its sales letters which gives the statement of one of the company's dealers: "I believe in my company, its policies and its merchandise."

(Sales Management, Vol. 2, No. 11)

Schools for Retailers by Tractor Manufacturer.—The Advance-Rumely Company, La Porte, Ind., manufacturer of tractors, has operated a series of four courses for its retail dealers, each covering a period of two weeks and each being given at the home office of the plant in La Porte. An average of sixty men attended these sessions, most of them being dealers. In a few cases the representative was some member of a dealer's organization who was planning to make a specialty of selling tractors.

On large tables around the room in which the lectures were given were placed various tractor parts. For example, one table contained a motor, with certain parts cut away. This was kept running by electricity, in order to show the functioning of the various parts. Other important parts of the tractor were handled in the same way. There were displays around the room of the advertising material used by the concern, so as to make the dealers familiar with the advertising of the company and the direct results that they get from such advertising.

When the lectures were over each day, the men were sent down to the shops, where they worked on assembled motors,

transmissions, etc. The class here was divided into groups of six or eight and an expert mechanic placed at the disposal of each group. The object of this was to have the unit small enough to insure each man receiving proper instruction and attention. In the shop work, the men had the assistance of all the best men in the engineering and experimental departments, and lectures were given by various executives.

Believing that entertainment is a large factor in gaining the good-will and cooperation of the men, four entertainments were given to each of the classes—two each week. The first of these was a concert, the second a boxing bout, the third an entertainment so planned that the men who had brought their wives with them might have them share in the fun, while the fourth and last was a large banquet. A feature of this banquet was the fact that the food was cooked by Rumely employes, and served by Rumely girls, giving it the semblance of a large “family” gathering.

As a result of these schools, the Advance-Rumely Company figures that about two hundred and fifty of its best dealers know how their tractors are made, how they work and how to make them keep working. In other words, they are equipped to give their customers real “service salesmanship,” which is the kind that pays the biggest dividends. The contact of the men with the executives of the company and the intimate knowledge of the plant, breed confidence and a spirit of aggressiveness that is not so easily gained in other ways.

Recently, instead of bringing dealers from all over the country to the home office, the Advance-Rumely Company trained a teaching force that visits twelve branch houses located at strategic points, so that dealers can come with the least loss of time. Two complete outfits of equipment are kept in use, the one for the school being held and the other being in process of setting up to be ready in the next town when the teaching force moves on. The first is then taken down and moved on while the second is being used. Sessions now last from Monday morning until Friday night inclusive and are open to customers as well as dealers. The cost of the school and all expenses of the students, including railroad fare and

hotel bills, are borne by the company. The dealer is under no obligation to buy and sell a certain number of tractors, but he must have at least one tractor in stock to be recognized as a dealer.

G. A. Nichols, in an article in *Printers' Ink Monthly*, quotes George W. Iverson, of the Advance-Rumely Company, who has charge of the schools, as follows:

Possibly we might conduct this course by the correspondence method. We could put out elaborate and complete printed matter describing everything in the fullest detail. But a technical subject like a tractor would be forbidding if outlined on paper. Comparatively few dealers would be able to assimilate the instruction given in this way. At the very best, it would be impossible for the dealer or any other man to learn as much about the tractor from reading as from actually taking it down and putting it together again.

Talking Machine Company's Method.—The Victor Talking Machine Company, Camden, N. J., provides means by which the company's own sales staff, and the jobbers' and retailers' salespeople, may learn not only all the features of the company's products—talking machines of various styles, records, needles, etc.—but may acquire a broad knowledge of the place of music and musical merchandise. These facilities include:

1. Visits to and trips through an interesting factory.
2. Extensive literature on music and musical records: a general catalogue that is a concise dictionary of good music, as well as a monthly supplement dealing with new records and giving the nature and history of each, also special folders and booklets dealing with groups of records or other products.
3. Conventions and other meetings at which there is opportunity to meet and talk with musical artists who have contracts with the Victor Company. These are arranged by jobbers in localities as well as by the Victor Company at the home office.
4. Sales classes at the home office of the company to which students are sent by the retailers. Similar sales classes are

arranged in territory distant from Camden with the cooperation of jobbers and retailers.

In these classes instruction is given in the theory and practice of record-manufacture, the functions of the sound-box, information about the motor and other parts of the Victrola; the correct pronunciation of foreign names; sound salesmanship principles generally; the art of store- and window-decoration; the art of writing show-cards and circular letters; stock-keeping and ordering; information concerning Victor artists; a more intimate knowledge of grand opera. In short, students receive a course of instruction in the best methods of interesting customers in music and musical instruments, and particularly in the better class of musical records.

5. A house organ or magazine known as the *Voice of the Victor*, dealing with valuable and timely information, sent free to all concerned in the sale of Victor products.

6. Meetings of salespeople in Victor dealers' places of business for discussion of betterment of selling methods.

The Atkins Silver Steel Saw Club.—E. C. Atkins & Company, makers of silver steel saws, found some years ago that one of the best methods of enlisting the interest of retailers' salesmen was that of getting them into a club, called the *Atkins Silver Steel Saw Club*.

The traveling salesmen of the Atkins Company took an active part in organizing these clubs. The procedure was first to get permission from the dealer to solicit members among his sales force and then to proceed to canvass the men on the club idea. This was done by means of an application blank for membership, which every applicant was required to fill out.

As soon as a retail salesman becomes a member of the club, he receives a letter of welcome, a certificate of membership, a membership button and a booklet describing the principal selling features of Atkins saws.

Of course, the object of organizing such a club is to get a first-class mailing list, so that the manufacturer can more successfully get at the man who does the real selling of his product and keep ever before him the principal points of Silver Steel Saws, converting the salespeople from half-hearted talkers to real friends and boosters.

The booklets and other literature mailed to the salespeople belonging to this club are all written from the retail salesman's point of view and in such a manner as to obtain the confidence and enthusiasm of the members in pushing Silver Steel Saws.

To maintain interest in the Club, the company offered prizes to the members for the best letters giving selling arguments or ideas. The prize-winning letters were afterwards made up into a 32-page booklet, with the names of the winners signed to each letter, and sent to the members. This proved to be one of the most effective pieces of advertising or educational literature.

Special Salesmen to Work with Retail Salesmen.—Some organizations have found it better to send out a good salesman of real adaptability to work with retail salesmen rather than to content themselves with a printed course of instruction. Others use the services of such men in addition to their courses of printed instruction.

The Eastman Kodak Company, for example, has done a great deal of helpful instruction work—issuing not only a house organ for dealers but a separate house organ for the salespeople, which is called *The Kodak Salesman*. This Company also sends out special men to promote this highly important work.

The retailer's attitude toward this plan is well expressed by the following comment from a kodak dealer:

It put a retail expert right behind our counters for a week and he *showed* our folks how to sell cameras. It was so much more effective than just *telling* them how, because when you tell a clerk how, he or she sometimes feels, "Oh, that's all very nice selling talk, but just try it behind the counter and see your beautiful theory blow up." I believe the week that Eastman man spent right behind our counters is going to pay the Kodak people mighty well in increased camera sales in our store.

This same dealer expressed himself enthusiastically about the missionary work done by a syrup manufacturer. The syrup manufacturer sent out a capable, tactful salesman who first inquired of the druggist if he had any objection to the young man at the soda fountain being coached a little on some

phases of his work. Usually the dealer so approached would consent, but would give no particular encouragement. Nevertheless, the salesman was tactful enough to make friends with the boy at the soda fountain; would roll up his sleeves, get behind the counter and in a friendly, natural kind of way show the most approved methods of fixing up certain drinks or ice-cream sundaes.

On one occasion when this salesman was on hand, the drug store found itself low on a certain syrup, and it seemed the natural thing to give an order to the salesman. That was the starting point for a share in the business of that store.

Such work as this is costly and requires the most resourceful type of instructor, but it brings in the important element of personality and the method has proved its effectiveness in the experience of a number of firms, both manufacturers and jobbers.

A hosiery jobber is authority for the statement that one of his representatives has made himself exceedingly valuable by reason of his ability to get on good terms with the jobber or the leading salesmen of hosiery departments and give hints not only on selling but on methods of buying and keeping up stock.

For example, in a case where a large retail store was tempted to carry too many brands of hosiery, with the result that the department was continually finding itself out or low on certain sizes or colors of a given brand of hosiery, the salesman showed the advisability of confining the stock to fewer brands and thus having on hand sizes and colors that the customers wanted. As might be expected, such work on his part was adroitly and not too obviously done, so as to increase the sales of the particular brand of hosiery that he sold. The fact that his advice was fundamentally sound made it effective.

Prizes from Manufacturers and Jobbers Preferable to Special Commissions.—The awarding of cash commissions, bonuses, etc., by manufacturers or jobbers on goods that retail salespeople sell as the result of special effort is a practice frowned upon by the Federal Trade Commission. Such practice is likely to get into the domain of unfair competition. It seems better, therefore, where the manufacturer or jobber

is forwarding some course of instruction to bring about better salesmanship on certain products, to offer some incentive to the clerks in the forms of prizes for the best records made under the course of instruction. There may be a number of these prizes, and they may be either cash or useful commodities such as handbags, fountain pens, safety razors, etc.

It is legitimate to carry out a program of this kind and it seems more dignified to base the reward on the results of the real educational program rather than to offer a commission outside of the retail salesman's compensation from his employer.

Even if it were perfectly safe to offer such commissions, the manufacturer or jobber offering them would have no assurance that some other organization might not come along and offer the retailer's salesman an equal or larger commission for pushing some other brand of products. A situation might be created in which the salesman, instead of attempting to serve the customer and his employer properly would be thinking of how he might line his own purse by concentrating his efforts on a few products. No progressive retailer cares to have his salespeople working under such a commission system.

There are doubtless certain conditions under which the plan might be safely used for a while in order to introduce some article but as a general practice, it comes too close to bribery.

SECTION IX

SALES MANUALS AND COURSES

Manuals are used by so many of the most aggressive sales organizations of today that there is scarcely any need for pointing out their usefulness.

The increasing use of manuals or some other form of salesmanship instruction has come about because of the appalling number of failures or near-failures among salesmen in all branches of business. The salesman who has a manual to guide him—something that gives a little of the history of the firm he is representing, the people back of the goods, the fundamental truths about the raw materials used in their manufacture, methods of manufacturing, as well as the chief selling arguments in their most approved form, and so on—has a big advantage over the man who is sent out without the help of such material.

It is reliably reported that one insurance company has found that, through hiring fewer salesmen or agents but training these few well, it was enabled to increase the volume of its business from \$430,233,822 to \$592,800,860 in a few years' time. This concern decreased its agency force from 19,066 to 11,000. The system of training was so effective that it enabled each of the representatives almost to double his earning capacity.

Another reason for the popularity and general use of manuals and courses is that salesmen themselves are realizing as never before the importance of taking advantage of what other people have learned and are doing, thus avoiding many pitfalls. In other words, they are taking advantage of the great truth that "experience is the best teacher," but instead of profiting only by their own experience they have the good sense to learn from the experience of others.

Many Manuals Are Not Strictly Sales Manuals.—A number of the books or texts described in this Section

are treatises of general information rather than manuals of salesmanship.

The needs of sales organizations differ greatly. Some find it expedient to include a great deal of general instruction on salesmanship, because of the fact that they are employing the younger type of salesmen or saleswomen who have had little or no experience in selling work.

Other concerns, employing the older and more experienced type of salesmen, have purposely avoided including any material that has the appearance of academic instruction in salesmanship. The latter type of manual consists of rather definite instructions and information on the particular type of business that the salesman is to represent.

Sales Manual Chart.—Exhibit 105 shows a sales manual chart, prepared by the Association of National Advertisers. This chart gives a good idea of the purposes, types and range of manuals, as well as a brief outline of how to go about making up a manual.

Printers' Ink Review of Essentials.—On the editorial page of *Printers' Ink*, in its Nov. 30, 1922, issue, is given the following fourteen points as fundamental requisites of a sales manual:

1. There should be something about the history of the company; how it originated, who founded it, what were its original policies, how these have been modified and what the company has accomplished for itself, for its dealers, and for the country during its history. Many an American manufacturer has been a real force in the advance of American business. How great have been his accomplishments should be the knowledge of every salesman and every dealer.

2. There should be something about the executives of the company. The salesman on the road sometimes never sees the big men of his company and, if he does, looks upon them as beings without personality. If there is something about them in his sales manual they become his companions on the road and gradually they become much more to him than mere names. Here, again, the salesman can pass along the idea to dealers, letting them catch something more of the spirit of the men behind the company's policies than they could gather from their ordinary business relations.

3. There should be all the information that a salesman needs to know about the goods he is selling. No matter how thorough has been his course of instruction at the factory before he went on the road, there are certain facts about the products he sells that cannot be emphasized too strongly. Then, again, the longer a man gets away from his factory

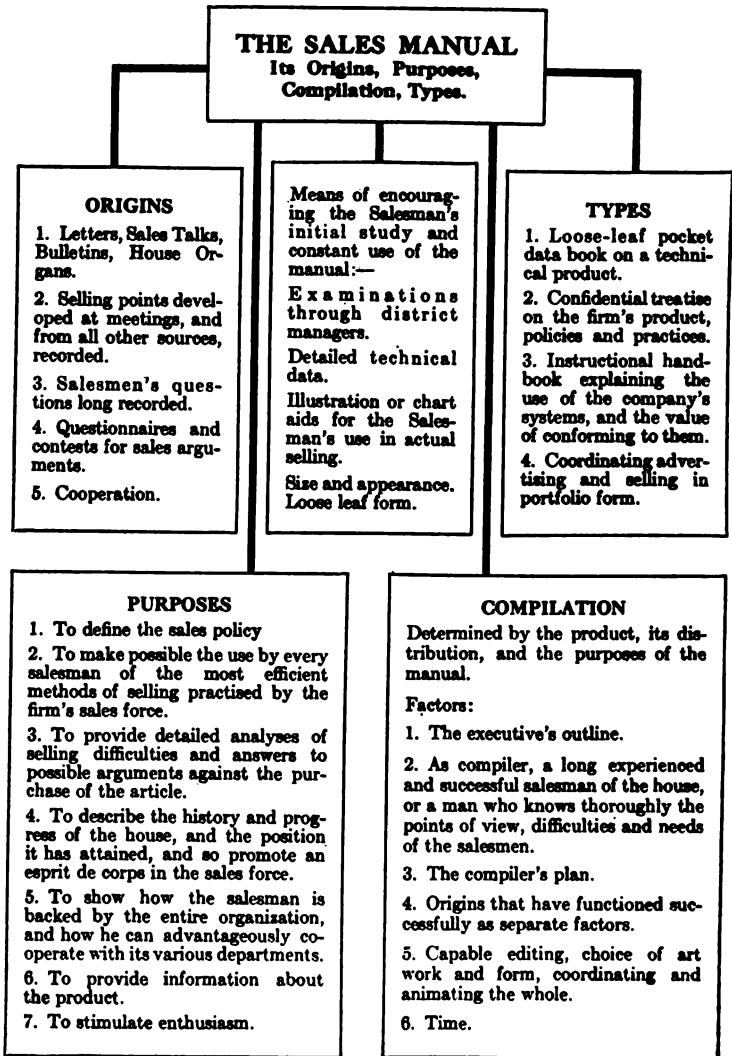


EXHIBIT 105.—Sales manual chart originated by the Association of National Advertisers, Inc.

instruction the greater is the opportunity for time to diminish his knowledge. When he is confronted with knotty questions from the dealer, this section of the manual may save the sale.

4. Material that very often is not included in the sales manual but that is often of real value is information concerning some of the company's more important customers or bigger installations. This should be used with great care by the salesman. There is prestige value in telling a dealer that some of the biggest retailers in the country carry the company's product, but when the dealer is made to feel that his orders are pitifully small compared to the orders of the big merchants this section of the manual may act as a boomerang.

5. One of the most valuable sections can be that which deals with common objections and the answers to these objections. One manufacturer finds that there are really only five fundamental objections: Price, Profit, Performance, Personal, Punctuality. All the common objections have been gathered under these heads and the answers briefly and concisely stated. This is probably the most important part of the whole sales manual, and no further elaboration is needed to make the successful sales manager realize that fact.

6. Another section that is not often included but which is of real worth, is a chart of organization: first, for the sales department; second, for the company. The salesman is a cog in a great machine but he has every right to know just where he fits into the larger scheme of things. In this way he can gain a new sense of his importance as the company's contact with dealers.

7. Sometimes, it is well to include a section which states briefly the equipment that a salesman is supposed to carry. He is responsible for certain forms, for certain samples and for other material, varying with the type of company for which he works. This section affords him a valuable check list.

8. If the company uses a certain number of forms and reports, it is a good idea to include in the sales manual models of these forms and reports. If the salesman becomes careless in filling out his reports it is an easy matter for the sales manager to refer him to this section, thus saving a lot of correspondence.

9. Where a company has certain peculiar policies, such as special discounts, or other problems that furnish resistance or that are apt to be hazy in the mind of a salesman, these should be explained in the manual. The salesman is not a member of the Light Brigade, and has every right to know why he does what he does, and why the company follows certain policies. This is very important and while the information may be highly confidential, a knowledge of the "reasons why" will often save a salesman much trouble and will show him that the policy is not unreasonable but is the result of certain definite conditions. A complete history of the growth of a company's sales policy will often win a salesman's hearty cooperation where ignorance would make him only a half-hearted supporter.

10. Dealer helps are a big part of a salesman's equipment and should be thoroughly explained in the manual. Samples should be included wherever possible, and when the samples are too large, photographs of the dealer helps should be used.

11. Advertising is something in which the dealer is greatly interested. A dealer often judges a company by the amount of advertising it is putting behind its products. Proofs of advertisements are a necessary part of the sales manual, unless the company chooses to put these out in a separate portfolio. Mediums, the circulation of mediums and the distribution of this circulation are all information that has great leverage in making sales.

12. Some companies like to include testimonials. Their effect on the dealer is hard to calculate, but sometimes they give the extra impetus that puts over a sale. Several companies have zinc plates made from original testimonial letters, these plates to be printed on pages of a proper size for inclusion in the sales manual.

13. Where the processes of manufacture are not too simple, they should be explained in the manual. Pen-and-ink diagrams are worth more than pages of description. Both salesman and dealer can look at a diagram and understand the manufacturing processes when an elaborate description would go over their heads.

14. The question of including instruction in salesmanship is a disputed one. Whether it is necessary to include in the sales manual elementary education in selling is hard to determine. Some of the most successful sales managers have decided in the affirmative. However, a sales manager must always be careful not to make this instruction so elementary that it gets a laugh from the seasoned salesman or so complicated that the cub doesn't comprehend it. There is a happy medium, as is proved by a number of manuals.

Material Should Meet the Special Needs.—What must go into a manual or course is largely a matter to be decided by the sales department after reviewing the needs and problems confronting the organization. There can be no set rule as to what shall or shall not go in. Each individual case should be decided on its own requirements and needs. The foregoing points are given just as an example of what the manual might contain.

Some of these things could easily be left out and others substituted. For example, if a firm advocates the use of standardized selling argument, this should by all means form a part of the manual. The manual should also contain graphic and easily grasped descriptions and illustrations of all equipment or articles which the salesman is unable actually to demon-

strate to the prospective buyer. Perhaps the next best thing to a sample is a faithful illustration or reproduction of the article, with some telling sentences about its usefulness or adaptability.

Hastily Prepared Instructions.—A research made by W. H. McIntire, of the Carnegie Institute of Technology, indicates that a great many salesmen's manuals and courses are put together in a hurry. As Mr. McIntire expresses it:

Some one hastily collected ideas from various treatises on salesmanship, drew ideas from his own experience, compiled facts concerning the history of the firm and the making of its product, and threw in some inspirational paragraphs for good measure. Sometimes salesmen were encouraged to contribute ideas from their experience in performing such tasks as analyzing prospective customers' needs, and answering objections.

Training courses constructed in this manner serve their purpose fairly well, but they have glaring defects. In the first place, many specific difficulties that confront the salesman are not treated. In the second place, there are too few practical illustrations. Too many principles of good salesmanship are presented in such a hazy and theoretical manner that the novice cannot apply them. He needs several concrete illustrations from the experience of successful men. Examples add interest to the content and also make the ideas easy to grasp. Furthermore, the novice is more willing to embody the ideas into his own methods because he realizes that they are actually used by some of the best men in the organization.

A third weakness in many training courses is the inclusion of a large number of ideas and methods that are not actually used by successful salesmen. As a result, the training course is "cluttered up" with a mass of "junk" and the confidence of the student is partly lost for he is bound to find out from the experienced salesmen that such ideas and methods are not practical.

Why Some Manuals Are Not Used.—Those concerns that do not use manuals argue that the expense of preparing or assembling the material is too great for the good accomplished—that comparatively few salesmen can be induced to make use of such aid.

It is just possible that the reason for this situation may be found in the following list:

1. The manual may not contain information of practical, every-day usefulness to the salesman.
2. The size may be so inconvenient or bulky that the salesman will not burden himself additionally by carrying the book around as a part of his necessary equipment.
3. The salesman may not have been educated to the value of the standardized selling argument.
4. The manual may have been all right when it was compiled, but it may have become out of date and therefore practically useless.
5. There may not be a good index. The salesman may be obliged to hunt for data that he should be able to put his finger on in a minute or two.
6. There may be no logical grouping of subjects or of information. If good material is put into a manual, be sure that it is arranged in such a way as to make it of easy access to the salesman.
7. A weak feature of most sales courses or manuals is the lack of good examples, illustrations or experiences. Salesmen grow weary of running through page after page of abstract explanations or argument.
8. Another common fault is the burdening of the course or manual with a great deal of useless history or technical data. All such material should be gleaned carefully and contain only those facts that will give the salesman the proper background and usable information about the products or service.

Hints on Getting the Sales Manual Used.—Some of the things that will aid in getting the manual referred to frequently are:

1. Having it of convenient pocket size, preferably in loose-leaf style, so that the book will always lie flat when opened, no matter to what page the salesman may turn. Salesmen have a natural dislike for carrying anything that makes them look like salesmen. Anyhow, it is much more convenient to slip the book into the coat pocket than it is to open a case or bag.

2. Keeping the manual up to date by issuing new data and experiences from time to time.
3. Having the data conveniently arranged and indexed. If the salesman prefers to make an index of his own, cooperate with that wish by furnishing ruled and punched paper of the proper size for this purpose.
4. Adopting a more appealing name than "Sales Manual." The name might be "Book of Facts," "Information Book," "Common Objections and How to Overcome Them," "Interesting Facts for You," "Questions and Answers," or anything of that kind.
5. Giving the salesmen a real part in preparing the manual. Have it represent a composite view of the men in the field and the men at the home office, not a one-sided affair. This has been known to overcome many difficulties—real and imaginary.
6. Making it easy for the salesman to preserve supplementary selling argument or material by providing a place for it in the manual. Thus, he can make it largely a personal affair. The "scrap-book" style of volume is increasing in popularity. It is easy to include blank pages in any type of manual.

Special Pages That Increase Reference to Manual.—A good many prominent business concerns have found that it is advisable to place in manuals special pages on which the salesman may keep daily, weekly, monthly or yearly record of his transactions with various customers.

This is done simply as a means of getting the salesman to carry the manual as a part of his necessary equipment and getting him in the habit of referring to the manual in order to make the required entries on score card or record sheet. If he becomes accustomed to carrying the manual and referring to it, he is naturally very likely to make use of the material it contains.

These personal records with different customers also add to the effectiveness of the salesman's work, because he can tell at a glance just when and what kind of an order he has sold to a certain customer, his reasons for not selling, and so on.

If the manual is a pocket-sized affair, it might appropriately carry sheets on which the salesman might record his incidental expenses, memoranda for subsequent calls, and all other data that the salesman should have at his fingers' ends.

Manuals Written by the Salesmen Themselves.—An effective way of changing the salesmen's inclination to neglect manuals—which is often an obstacle in the way of successful selling—is to have the salesmen themselves write the sales manual, or to do a real part of the job.

A manual of this kind, made up in loose-leaf style, containing actual experiences that have proved unusually successful, will not only be valued and used by the salesmen, but may readily be kept up to date by the addition of new experiences from time to time, so that the material never gets stale and loses its effectiveness.

Another snag that is swept away by having the salesmen write the manual is the contempt or ill-will that is often felt by the men for the usual inspirational, theoretical material and information furnished by employes or even executives of the home office. Too often, without even weighing the value of the material that has been gathered, the salesman will sniff and say, "What do they know about salesmanship. If they were out in the field, encountering all kinds of problems, they wouldn't do as well as I do." The result of such an attitude is that the manual is thrown into the discard without even an honest trial.

Thos. D. Murphy Company's Manual.—A good example of the type of manual that salesmen write is that of the Thos. D. Murphy Company, of Red Oak, Iowa, manufacturers of high-grade calendars and direct-mail printing service. The Murphy manual consists of letters written by the various salesmen, in which they tackle their every-day working problems in an exceedingly practical and simple way. These letters show how a certain salesman has overcome the various stock excuses and objections against buying that every salesman encounters—objections that he must combat successfully in at least a fair number of cases if he is to make a success of his work.

The name of the Murphy manual, which was issued in 1921, is "1921 Fighters' Prize Letters." There is nothing about this name to suggest that it is a sales manual or course, which is a point in its favor. Exhibit 106 shows Letter No. 2 from this manual. Exhibit 107 is from a somewhat similar but later series of the Murphy Company, known as "Victory Letters."

No. 2

CALENDARS VERSUS POCKETBOOKS AND OTHER NICKNACKS

The order for the —— Savings Bank today was fought out to a finish with the president, cashier and one director. Upon opening the fight, the cashier said he would look but wouldn't buy at this time. After admiring several calendars the argument started as to the value of calendars versus pocketbooks, and I found out afterwards that they "had previously decided not to buy calendars this year."

When the cashier said they intended buying pocketbooks, I nailed his argument by showing that pocketbooks were only good for one person; if five adults were in one family it would require five pocketbooks to go around, while one calendar would satisfy the whole family and being placed upon the wall would be seen by others who called at the house; possibly a newcomer to town would see it and would be led to open an account in the bank by reason of this suggestion.

I classified the calendar as general publicity, good-will and preferred space winner, not only for one year but for years when the picture would often be framed and always remembered as one received from the —— Savings Bank.

Two years before, I sold this bank "Mount Vernon" and I asked them if it were not true that a part of those pictures were still hanging. They could not deny it.

"Your customers have the anticipation of receiving one of the finest calendars in the country and if they do not get it they may misinterpret the fact; possibly that you have gone out of business or that you do not care for their business. This would be a distinct detriment to your bank, and besides this false impression would be the loss of the general advertising the calendars would give you."

He stated that business was very quiet and that they did not think they could stand the expense, to which I replied, "This is not an expense, but the best investment you can make. You would not think of being without insurance—you could not afford to take such a chance. Calendars such as these are business insurance."

EXHIBIT 106.—Specimen page from the "Fifty Fighters' Letters" booklet of the Thos. D. Murphy Company, which was used by this firm in 1921 in place of the usual style of sales manual, with very good results.

VICTORY LETTERS

FORTY WAYS IN WHICH MURPHY MEN TURNED DEFEAT INTO VICTORY

WHICH IS THE BEST?

No. 1

THE SELF-HANGING SIGN

I walked into the office of the M—— and at sight of my case Mr. B—— said in no uncertain manner, "Nothing doing, I have bought all the calendars I am going to buy." I asked if he had bought large ones, too. He replied, "I told you once, I have bought all I am going to buy."

The day before this I had been talking with an old friend who sold signs, and he said when a prospect turned him down without looking he came back like this: "Mr. ——, would you like to see a sign that will take itself out and put itself up?" That almost invariably sold a blackboard sign. I decided to use that on Mr. B——. "Maybe you would be interested in a sign; one that will take itself out and put itself up." I then told him this sign had a picture on it adapted to school houses; that he could have the children write essays about it and give prizes to the best ones. "Have the editor one of the judges; Superintendent of schools for another; a minister for a third and the county commissioner for another. Every teacher will want a pupil from her school to get a prize. Every mother and father in the community will want their child to win, and you, Mr. B—— will get on the front page of the local paper twice, once when you announce that you will give a prize and again when the prize winners' names are published. You also get a well earned reputation as a public spirited citizen."

Mr. B—— turned to the telephone and called long distance. When he got his party he said to me, "This is my partner in M——. Tell him what you have told me." I told him. It was the first time I have sold a calendar over the 'phone for he said, "Give me I——county if my partner takes it in G—— Co."

The order was for 150 super jumbos. It was the idea that won. I sold the idea and got the case open.

No. 2

THE "WAITER"

"Gentlemen: Your representative for this section of the good old U. S. A. called on the First National Bank, D—— and was met with the usual popular ballad for 1922, 'We will not buy now,' First verse; 'Two early,' second verse; 'Calendars will be cheaper,' third verse; 'A dozen calendar men have been here and we told them all we would not buy early and

would look at their line before buying.' Fourth verse; 'We don't want any more business, when everybody wants to borrow money and we cannot make any more loans, so don't need to advertise, and on up to the twentieth verse, as per usual.

"This poor fish whom you have honored with the name of salesman let them keep on with their objections and said, 'Yes, yes, I've heard all that before, in fact have it by heart. That's what they all say, but it doesn't mean anything,' and proceeded to open his sample case."

ЭКНИВТ 107.—First page of the "Victory Letters" booklet which the Thos. D. Murphy Company used in 1922 as a sales manual. These letters were all written by the salesmen.

As much of the material was gathered during the readjustment days of 1920-21, when it was exceedingly difficult to sell, the letters contain descriptions and plans showing how different salesmen overcame some unusual handicap or objection.

Advantages of Actual Experiences of Salesmen.—The advantages of such a plan is that it brings to the attention of all the salesmen a wide variety of plans and experiences that have actually stood the test—not some notion or ideal that has not been tested. No one salesman or executive can have all the good ideas. The bringing together and correlating of material from the salesmen themselves shows them a good standard by which each may measure his own performance.

How to Get Good Material from Salesmen.—It may be argued that it is no easy job to get salesmen to write good material for a sales manual, that it is hard enough to get them to attend to the making out of routine reports.

While there is no denying this fact, it is nevertheless true that there are all kinds of ways of getting things done. If the sales manager is tactful enough to watch his salesmen's orders, reports and letters for any indication of superior performance and will then write to the salesman and ask him just how he managed to succeed where so many others had fallen down, or why he happened to make a concentrated campaign on a certain class of business such as the furniture or office supply dealers, why he has been so much more successful with a certain assortment of products than with others, and so on, he can usually uncover a wealth of usable, instructive information. With the proper encouragement, any man is more

than willing to tell about his successes and conquests. A letter that he may write, without realizing that he is furnishing "good copy" for a manual, may be just the thing. It all depends on how the home office goes about getting the information. Do not hesitate to ask leading questions—questions that will make the salesman almost unconsciously stop and analyze the tactics or plans used.

In commenting on the manuals salesmen write, *Sales Management* makes this concluding remark:

A salesman of one of the big, widely known sales organizations told me that he derived more benefit from short talks with other salesmen at the annual convention than he did from the regular program, and if this is true it is more than probable that he would derive more benefit from suggestions of other salesmen in the manual, than from one written by one of the bright young men in the advertising or sales departments.

This seems to suggest that stenographic reports of conventions and the "round table" conference may furnish much good material for a manual.

Views and Instances of Getting Cooperation of Salesmen.—In the experience of the Baker-Vawter Company, the Addressograph Company and others equally prominent in the business world, if the best results are to be gotten from a sales manual, the salesmen themselves should have some part in preparing it.

Such a plan not only stimulates thinking and interest at the time the material is being gathered, but insures a cordial reception for the data after it has been assembled and digested and put into its final dress at the home office.

A Western manufacturer who held this view had his office prepare a questionnaire to be sent out to the salesmen. After this had been completed, the general manager reviewed it with consternation, because the questions it contained were so many, varied and complicated that he realized few, if any, of the salesmen could be induced to give it proper attention. The problem was solved by having the questionnaire cut up, putting just one question on a full sheet of letter paper and sending these sheets out each week.

By having just one question at a time to answer or to think about, the salesmen were enabled to give valuable and varied

experiences in the overcoming of common objections. Each week these answers, which were written by the salesmen on the letter-sheets, following the questions, were carefully tabulated and reviewed at the home office and sent out to the salesmen in concise, multigraphed form on punched sheets. This made the material immediately available and also maintained interest in other questions that had not been answered. The salesmen took pride in seeing themselves in print and really vied with one another as to who should give the best arguments. The sheets containing the questions

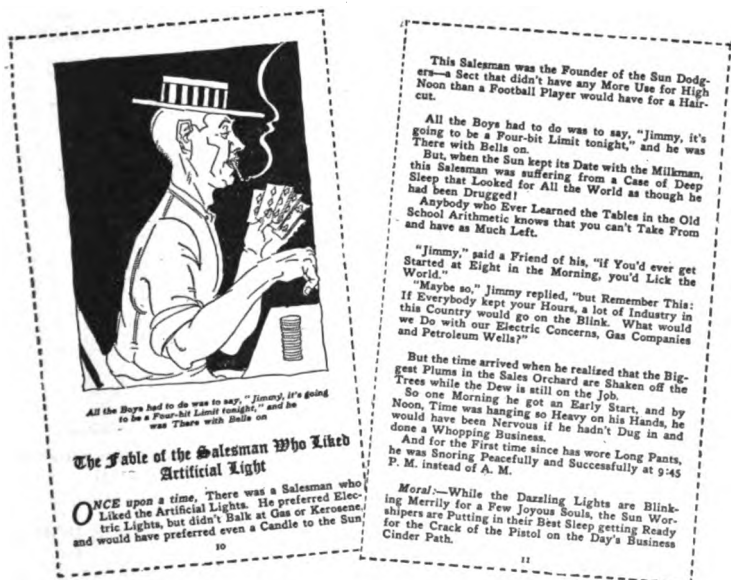


EXHIBIT 108.—Pages from the Crane and Breed Manufacturing Company's sales manual, showing the humorous way of treating shortcomings.

were also distributed among the home office officials, so that they, too, could give their views on all the points under discussion.

In other words, the manual, when finally compiled, consisted of a real round-table of the entire selling organization and not the ideas of any one man or set of men. Having had such

a vital part in the making of it, the salesmen could not very well refuse to use the material.

While this was not an advertised contest and no prizes were awarded, other manuals have been made up as the result of prize-letters or answers to questions. There is something about the contest spirit that brings out many good qualities and perhaps valuable hidden information. Being forced



EXHIBIT 109.—How one manufacturer pictures to his salesmen the man who lets personalities and private opinions get into his sales talk.

to try because of not wanting to be outdone by others proves a real developer.

Humorous Sales Manuals.—The Crane & Breed Manufacturing Company, of Cincinnati, uses for its salesmen a little book put out in attractive, humorous style in a size $4\frac{3}{4}$ by $7\frac{1}{4}$ inches. The cover of this booklet is a stiff paper in orange and black, with cartoon illustrations, showing how the mental attitude changes things. The title of the booklet is "Fables for Salesmen by a Modern Aesop, Spasm 1."

The reproductions shown in Exhibits 108, 109 and 110 through the courtesy of the Crane & Breed Manufacturing

Company, give a good idea of the kind of material and illustrations used.

Other fables that are treated are:

The Fable of the Salesman who Was Afraid of Hard Work.

The Fable of the Salesman who Lacked Tact.

The Fable of the Salesman who Was Poor at Closing.

The Fable of the Salesman who Wouldn't Answer Communications from his House.

The Fable of the Salesman who Had Opinions on Everything.

The Fable of the Salesman who Gossiped.

The Fable of the Salesman who Didn't Believe in his Line.

The Fable of the Salesman who Was Unsystematic.

The Fable of the Salesman who Knocked Competitors.

The Fable of the Salesman who Depended on Personal Friendship.



EXHIBIT 110.—Other pages from the Crane and Breed Manufacturing Company's sales manual, showing how this concern tackles the job of giving salesmen a proper estimate of their ability. A little humor livens up this otherwise "touchy" subject.

Salesmen almost unconsciously read and enjoy material of this kind where perhaps they would not tolerate, or profit by, preachy, dictatorial matter teaching the same lessons.

Though it is not always practicable to make use of cartoons, such illustrations certainly have a very large place in selling

work, not only in the preparation and presentation of courses and manuals, but in letters and bulletins to salesmen.

National Cash Register Company's Procedure.—A permanent school for salesmen is maintained by the National Cash Register Company. The N. C. R. course is divided into three parts and extends from two to three weeks, according to varying conditions and the ability of the men being trained.

The following is an outline of the subjects covered:

Division 1.—Technical

- A. Necessary knowledge of the different styles of cash registers
- B. Important parts, functions and commercial value of each.

Division 2.—Troubles of a Merchant

- A. The open cash drawer:
 - 1. No records
 - 2. Temptation to clerks.
- B. Cashier Systems:
 - 1. Clerks calling out amount of sale.
- C. Cash Carrier Systems
- D. Credit Systems:
 - 1. Credit slip files—weaknesses of unprotected credit
 - 2. Weaknesses of book files
 - 3. Weaknesses of ledger.
- E. New National Credit File—Important parts, functions and values

Division 3.—How Register Helps Merchant

- A. Protection:
 - 1. To merchant
 - 2. To customers
 - 3. To clerks.
- B. Supplies necessary information:
 - 1. Re condition of his business
 - 2. Re efficiency of clerks
 - 3. Re sources of loss.
- C. Improving service
- D. Improving records
- E. Reducing cost of operation.

Baker-Vawter Company's Manual.—This well known manufacturer of loose-leaf forms and steel filing and office equipment of various kinds, has been several years in the preparation of a manual for its salesmen. At the time this volume is printed the manual is not completed. The sales department of the organization believes that it will be two

or three years before all of the subjects are covered. This gives some idea of the time and thought, as well as actual money, that some concerns are putting into the preparation of such material.

The Baker-Vawter manual is in loose-leaf style, in the 8½-by-11-inch size, attractively bound, with detailed explanations and illustrations of the various forms or equipment recom-



EXHIBIT 111.—General exterior view, showing the binding and convenient side-tabs of the Baker-Vawter Company' sales manual.

mended for specialized uses. Exhibit 111 gives a good idea of the outside appearance of the book, with the convenient tabs on the side.

In Exhibit 112 is shown a reproduction of the introductory sheet of the Baker-Vawter manual, while Exhibit 113 gives an outline of the subjects covered in one of the sections of the manual—the one devoted to “The Product.”

BAKER-VAWTER SALES MANUAL

INTRODUCTION

This Sales Manual is a handbook of information for the Sales Organization. It covers the theory and practice of B-V salesmanship.

The Sales Manual is a reference book, in which you will find the inspiration to do the day's work in the best way.

It is dedicated to Wm. A. Vawter and those other pioneers of our company, who by their courage, steadfastness and loyalty, blazed the trail for us salesmen of today. Out of the crucible of their experiences, mistakes and accomplishments has come the inspiration to write this volume.

To have been successful, these older pioneers had to depend pretty much on their own judgment and initiative in selling. You can benefit greatly by their experiences as exemplified in the methods set forth in this Sales Manual.

Standardized methods and rules are essential to the success of our organization. In order that you might become familiar with them, they have been gathered, classified and put together in such a way, in this Sales Manual, as to be interesting as reading and handy for constant reference.

Errors, heretofore, made in ignorance of our standards of practice will henceforth be avoided. Reasons for the existence of certain troublesome rules are made plain and the broader aspect of the entire sales situation is made more understandable.

Most of the questions that ordinarily have bothered you in relation to your daily routine are herein answered.

Read this book as soon as you can. Think as you read. You will then have a comprehensive idea of its contents and a knowledge of how best to make use of its information.

There is not a man in the organization who will not enjoy it merely as something to read. And to read it is to get into the right way of thinking about your job.

EXHIBIT 112.—Introductory page of the Baker-Vawter salesman's manual, giving a general idea of the scope of the volume.

Under *Systems and Service* are listed four different kinds of systems that have been worked out for—

Banks
Commercial use generally
Filing
Machine bookkeeping.

There is also a section devoted especially to the district managers of the company.

Brandt Manufacturing Company's Method.—Charles E. Acker, Vice-President of the Brandt Manufacturing Company, Watertown, Wis., writing in *Sales Management*, says:

The average salesman today is under-trained on approach. His opening message does not carry sufficient interest. There's too much of the "Can't-I-interest-you" type of approach, which invites and brings a cold turn-down and causes the buyer to think of expenses.

To overcome this on the part of Brandt salesmen, the Brandt Manufacturing Company furnishes its salesmen with a dozen or more different forms of approach. These are written in conversational style and are designed to meet every need. This material was sent out to the salesmen by the piecemeal method on the theory that the salesmen would be more likely to read and apply a small amount of coaching than a quantity of such material. The monthly house organ of the Brandt Manufacturing Company was temporarily used as a means of conveying the idea to the salesmen, with very good results. Letters were printed in the house organ, telling how a planned method of approach had helped, and the salesmen swapped ideas as to how they had been able to gain interviews and make sales.

This firm even went so far as to send out monthly examinations, covering the principles laid down in the descriptions of approaches which had been furnished the men. These examinations were valuable chiefly in that they disclosed points on which a certain salesman might be weak and enabled the firm to give more personal attention to the individual members of the selling organization.

Tide Water Oil Company's Correspondence Course.—The Tide Water Oil Company recently prepared and put before all of its station superintendents and salesmen a correspon-

dence course (which is really a sales manual presented by the correspondence plan) in the selling of Veedol and Tydol, the products of the concern. That the plan is successful is shown by the excellent work done by the students, who are division sales managers, sales supervisors, road men, clerks, drivers, and garage men. Nearly all of the employes having to do with the products are taking the course, entirely on their own volition.

The first lesson explains the Veedol agreement between the company and its dealers. Each clause is painstakingly explained, to show just how the dealer and the company are affected. The first lesson also embraces coaching to the salesman on methods of selling this agreement to dealers. The types of dealers to whom he sells and how the agreement affects each type are also dwelt upon. A questionnaire or problem follows each lecture, to insure complete understanding.

Two examples of the kind of problems the salesman must solve are given here:

The Hilltop Filling Station, Pittsburgh, has signed an agreement for sixty barrels for the year 1922. For the months of January, February, March and April they have bought at the rate of seven barrels a month. On May 1 the price is advanced and the station orders seven barrels for delivery during May, at the old price. Write a letter to the station telling how many barrels they can have at the former price and explaining why the limitation is necessary. Quote from the agreement as authority.

To give a correct answer to such a problem, the salesman must display thorough knowledge of the company's selling policy and the Veedol dealer-agreement.

In the second problem, exact knowledge of the method of procedure in shipping is required:

Describe the shipment of a carload (of Veedol) to the Buckeye Garage, (William Smith) in Marietta, Ohio, and tell how it is invoiced as to discounts and freight charges.

The salesman's daily marketing report is the subject of Lesson 2. The salesman believes in the value of the report, because it will help him in his work and because of the essential use in formulating sales policies. It is not merely a form; the facts it calls for give statistics for the analysis of the

territory and the salesman's work. If results are not satisfactory, faulty methods must be corrected or new tactics used. Thus, the salesman is manager over his own territory and his reports should enable him to analyze the conditions in it.

Another part of this lesson is concerned with the need for routing territory carefully in order to make the maximum number of calls, and there is constant reminder about keeping the dealer sold on Tide Water products.

To test the salesman's knowledge, he is asked to:

Make out a daily report, listing twelve calls made in your territory. Two of these were old accounts where the proprietors were out. At one factory the purchasing agent referred you to the garage foreman. What did you accomplish there? You made two sales, one to an old customer and one to a new account—an agreement for thirty barrels being signed here. The other seven customers were financially embarrassed, or not convinced, or had an over-large stock on hand. In these cases, record the progress you made with each.

The salesman cannot "bluff" an answer; he must know everything the daily report should contain.

The third lesson is about credits and collections, and the salesman receives a good grounding in this important and difficult subject, which so often causes much discussion between the men in the field and the credit department.

The fourth lesson is about order blanks and is designed to instruct the salesmen as to what the dealer should buy of the company's products. A high-grade garage should always have in stock precisely what each customer requires, so that it need not have to substitute a medium for a heavy oil. To inform the dealer on the subject of the correct oil for each motor, the company has worked out a chart in which salesmen are expected to interest dealers. Specimen model orders, requiring expenditures of \$100, \$250 and \$1,120, which give the most profit to the dealer, are shown.

Lesson 5 covers the operation of automobiles. As most salesmen have automobiles, it is necessary for them to know under what circumstances they are given cars and to what extent they are responsible for repairs and accidents.

Lesson 6 is on dealer helps and advertising, and goes into detail about the objective in Veedol advertising; how advertising is pushing the products; how the dealer may obtain the greatest benefit from the advertising, and so on. Then there is the following summary on the value of the company's dealer helps:

1. *To bring customer to dealer's place of business:*
 - (a) Letters, personal or circular, post-cards.
 - (b) Advertisements in the local papers.
 - (c) Lantern slides in moving picture theatre.
2. *To attract attention of passing motorists:*
 - (a) Flange sign.
 - (b) Painted wall.
 - (c) 3 by 6 sign.
 - (d) Veedol oil portable or straight side drum, placed outside place of business.
3. *To help sell goods when customer's attention has been arrested:*
 - (a) Sticker from dealer service.
 - (b) Window-display.
4. *To close sale:*
 - (a) Personal salesmanship, using:
 1. Chart.
 2. Arguments in national advertising.
 3. Short sales talks on "Dealer Service."

One excellent result of the course is the minimizing of the turnover of salesmen. In a given period previous to the use of the course, it was not unusual to find it necessary to train about a dozen classes, whereas in a following year during a similar period, by the use of this course, only two classes were required.

(Summarized from *Printers' Ink Monthly*, June, 1922)

Addressograph Company's Sales Manual.—The manual of this well known national manufacturer is a very pretentious, loose-leaf affair, freely illustrated, composed of two separate sections.

The first part consists of material of the usual sales-manual kind, and is divided into eleven different sections:

1. Marketing methods
2. Advertising
3. Business organization (purpose of, etc.)

4. Office appliances
5. The Addressograph (different models)
6. Story of the Addressograph (history and development)
7. Five basic uses for the Addressograph (different uses)
8. Lines of business (adaptability to definite businesses)
9. Salesmanship
10. Objections
11. Field work.

Part 2 of the manual gives different methods of using addressographs, these being actual experiences, taken from a representative group of business classifications.

Manual of Educational Organization.—The United Y. M. C. A. Schools, the division of the Y. M. C. A. selling correspondence instruction, have a manual called "Salesman's Handbook," that is attractive. The book is of the convenient pocket size—5 by 7 inches—loose-leaf, post-binding, and is divided into five sections, which are conveniently tabbed, so that the salesman will have no difficulty in referring to:

1. Data and prices
2. Supplies and books
3. Manual of information
4. Questions and answers
5. Current instructions.

Under "Manual of Information" is given (principally for the benefit of new salesmen) a brief outline of the experience, ability and qualifications of the director of the institution and the various instructors, data about the books and courses used, caution about selling a man the course he needs, rather than the one that apparently brings the largest money return, a paragraph or two about the student-service department (a separately organized department which looks after all the problems or questions that the students bring up), followed by a few good testimonials.

This manual is supplemental to the catalogue and pamphlets, which give detailed information on the courses of instruction offered.

International Correspondence Schools' Manual.—This educational institution's information for its salesmen includes the following:

1. Rules for field men. These are included in the confidential price list, which is printed in the form of a pocket-sized booklet.

2. Scholarship manual. This is a booklet of 134 pages, 5½ by 8½ inches, giving a comprehensive yet condensed statement of the ground covered by each I. C. S. course, the field for which each is particularly adapted, and such other information regarding the course as should be in possession of the field man.

Both of these books are so comprehensively indexed that the I. C. S. salesman can, without the slightest difficulty, find in them any information he may require.

Willard Storage Battery Manual.—The manual of this manufacturer is of the loose-leaf style in pocket size, and is a compilation of the company's sales and service plans and policies. A large part of the manual is made up of revised and reprinted service station letters. Because of its loose-leaf form, the manual may easily be kept up to date. When it becomes necessary to add new data, this is done by adding letters after the figures of a given page. For example, if three pages of new matter are to be added after page 47, the new pages would be numbered 47-*a*, 47-*b*, and 47-*c*.

The following is an outline of the nineteen chapters of this manual:

1. **HISTORY OF THE WILLARD STORAGE BATTERY CO:**
 - From the earliest days, its growth, its present standing in the field of automobile equipment.
 - Development of Service Stations.
 - Development of District Representatives.
2. **THE WILLARD ORGANIZATION:**
 - Including charts of organization, its relation to the automobile trade.
 - Reputation with dealers.
 - The Willard idea.
3. **PERSONAL QUALIFICATIONS OF THE DISTRICT REPRESENTATIVES:**
4. **WILLARD SERVICE AND ADJUSTMENT POLICIES:**
 - Detailed explanation of the service.
5. **WILLARD SALES POLICIES:**
 - Divided according to service, stock, active sales effort.
 - Cooperation with the motor car trade. Exclusive advantages.
 - How to solicit business and cooperation of the trade, etc.

6. LOGICAL PRESENTATION OF THE WILLARD PROPOSITION TO THE TRADE:

7. SALES HELPS TO DEALERS:

8. NATIONAL ADVERTISING:

The design of the advertising to build business and prestige for the Service Stations.

How the Service Station can cash in on the confidence which the Willard national advertising has established for the product of the Willard Company—newspapers, posters, booklets.
How much should be spent on Service-Station Advertising?

9. EFFICIENT POLICIES:

The Battery Training School.

Explaining the necessity for the managers of the Service Stations attending the Cleveland School to learn the fundamental principles of the battery business.

10. BOOKKEEPING AND COST ACCOUNTING, FOR THE LOCAL SERVICE STATION:

The Willard uniform accounting system.

11. THE SERVICE STATION:

Cleanliness and order.

Service system.

Repair system.

Filing system.

Correspondence.

Use of educational literature.

Organization.

12. FINANCING AND CREDIT:

How to check up the financial condition of a Service Station.

13. ADVICE TO BE GIVEN WHEN INVESTIGATION SHOWS THE FOLLOWING CONDITIONS:

Overstock.

Bad credits and poor collections.

Poor sales and competition.

Inattention to business.

Bad appearance and habits.

Dishonesty.

14. WHAT TO DO WHEN YOU FIND A SERVICE STATION IN FINANCIAL DIFFICULTIES:

Who to advise and how.

15. THE INCORPORATION OF SERVICE STATIONS:

Advantages of incorporations.

16. THE MOTOR WORLD:

Planning ahead.

Competitive statements of efficiency.

17. CLASSES OF SERVICE STATIONS:

Capital required.

Location, building and equipment.

Salesmen.

Cancellation of Service Station contracts.

When to be made, etc.

18. NEW SERVICE STATIONS:

Where to make connections, etc.

19. SERVICE STATION REPORT, ETC:

Agricultural Implement Manual.—With the idea of helping the men in the organization to see the possibilities that their positions offer and of helping them to realize on their opportunities to the fullest extent, a manufacturer of agricultural implements put out a manual of seven sections:

1. *Introduction*—emphasizing the value of a thorough, working knowledge of the product and its technique as compared with representative competitive products.

2. *The Product*—giving a brief outline of the house and its policy.

3. *The Salesman*—giving necessary qualifications for success, methods of approach, general attitude, and so on.

4. *The Dealer*—stressing the relationship of the house to the dealer.

5. *The Farmer*—relationship of the house to the farmer.

6. *Practical Talks*—being a compilation of successful experiences of the company's salesmen, with additional sales hints of a general nature.

7. *Competition*—a technical description of the products, to enable the salesman to know his goods so well that he will be able to overcome competition.

Sales Manual of Manufacturer of Mechanical Devices.—It is only natural that new salesmen of technical and mechanical products find it difficult to master the very complicated individualities of the different devices, and, therefore, it is not easy for them to tell just what model or size of a given product may be best suited to the needs of various users. It is also true that the older, experienced salesmen, while familiar with these things, sometimes need brushing up. Their sales arguments may be freshened or invigorated by a concise review of the outstanding features of different models and sizes.

For these reasons, one manufacturer of mechanical devices decided that it would be worth while undertaking the preparation of a standard sales manual for the use of both old and new men.

Instead of making up the manual in regular manual form, however, this manufacturer wisely adopted the plan of supplementing his catalogue and additional advertising literature with a series of little pamphlets, each dealing with just one machine or model. So far as possible, the material was written from the point of view of the user or operator of the machine—the buyer—rather than from the purely selling point of view, and practical illustrations were used instead of mere theoretical preachments.

The units or pamphlets varied in length, according to the subject treated, but averaged fifteen to twenty pages. The pages were approximately 6 by 8 inches, printed in easily legible type.

This manufacturer expected trouble and objections from the older men of the organization when the manual units were brought out. In this he was agreeably surprised, for these men almost without exception seemed glad to have the help afforded by the little books and were among the first to pass the examination required. It is also worthy of note that the district sales managers all availed themselves of the privilege of taking the examination on the series, although this was not required.

Welch Grape Juice Company's Manual—*The Welchman's Handbook*, the manual of the Welch Grape Juice Company, is a concise treatise, valuable to the newcomer and the experienced salesman alike. Because of its excellent arrangement, the information is readily absorbed.

Section 1 is about the "Welch Name," telling briefly of the achievements of the company. On one page are given succinctly the fifteen points of good salesmanship.

Section 2 is devoted to "Practical Selling," and answers these questions: "What?," "To Whom?," "How?." There is a short preliminary explanation, and the answer, "You have three things to sell:

1. Your house
2. Your products and their merchandising plan
3. Yourself."

The reply to "To Whom?" explains the various kinds of trade, such as the wholesaler and the effort to be directed

toward him in popularizing the house, the products and the merchandising plan. The suggestion is made that the salesmen talk to jobbers' salesmen individually and in groups, and points to emphasize in these talks are given. The outlets for Welch products are named, so that no salesman is likely to overlook any.

Next, the Welch merchandising plan is given, and the various classes of advertising explained. The different kinds of window-trims, their uses and the value of the permanent signs are covered. The salesman is urged to put up displays himself, for in such cases the results are found to be better. He is requested not to order a display for the dealer unless it is asked for and will really be effectively and repeatedly used. The salesman is also instructed to urge the dealer to exploit Welch's as a winter beverage.

For study of the answer to "How?", there is the following advice:

1. Secure the favorable attention of the buyer.
2. Secure his confidence in yourself and your house.
3. Arouse his interest by informing him on Welch products—by appealing to his five senses.
4. Induce in him an immediate volition to buy.
5. Close the sale, order-book open, pencil commencing, or ready, to write.

Section 4 gives the price and sales history of Welch's Grape Juice. There is an explanation of the "Welch Guarantee," with a little talk by C. E. Welch, president of the company, on "The Welch Ideal."

Section 5 deals with the making out of reports. Then follows a summary of the whole manual, which the salesman uses as an index to those parts of the information on which he wishes to perfect himself. The manual is complete with copies of the latest advertisements and window-displays, illustrations of the products and a sample copy of the book of recipes. The process of manufacture is pictured, not merely described.

The Welch information is decidedly entertaining, for the most part, and is readily grasped.

(Summarized from *Printers' Ink Monthly*, October, 1922)

Furnishing Manuals to Salesmen by the Piecemeal Method.—Some firms seem to feel that it is advisable to give salesmen the information contained in the manual in sections, or on the instalment plan. This plan not only emphasizes various sections more strongly, because a man is more likely to read a small amount of material than he is a large quantity, but makes it easy to keep sections up-to-date. Being in separate units, should one unit become out of date, on account of price quotations, changing market conditions, or any other reason, the material is much more readily revised.

In the case of the Alpha Portland Cement Company's "Information Book," for example, specimen pages of which are shown

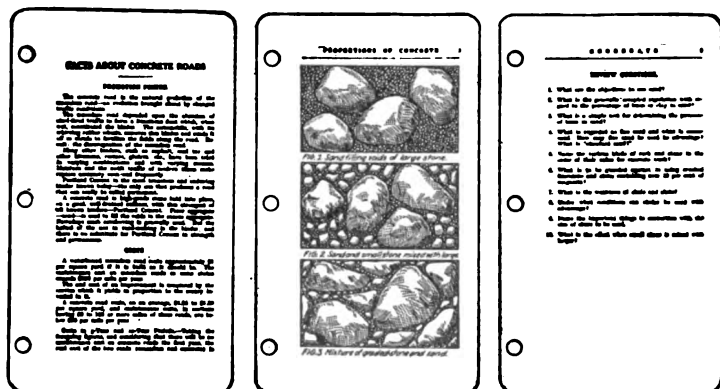


EXHIBIT 114.—Specimen pages from the Alpha Portland Cement Company manual.

in Exhibit 114, the various sections were issued from time to time and were sent out to the salesmen by the instalment plan. In a business such as the cement business, a section in the manual relating to roads or building codes would likely require revision every few years. Keeping each topic separate facilitates such revision.

The Alpha Portland Cement book contained no general salesmanship material, and was appropriately called an "Information Book." The sheets were punched for binding and were $7\frac{1}{4}$ inches deep by $4\frac{1}{4}$ inches wide.

Question-and-Answer Style of Sales Manual.—The question-and-answer style of sales manual is a popular one, both among compilers and users.

Data for such manuals is usually gathered from the salesmen themselves, by having them jot down from day to day the questions that are asked them. There are a certain number of questions that occur very frequently, while others are asked

Ques. What is ISKO?

Ans. *A small motor-driven machine that produces cold and takes the place of ice. It can be attached to any well built refrigerator.*

Ques. How does ISKO work?

Ans. *A brine tank in the refrigerator absorbs the heat in the food compartments and keeps them cold. The machine pumps this heat out, keeping the brine cold and making ice in the cube pans.*

Ques. What is it that produces the cold?

Ans. *The element circulated through the brine is Sulphur Dioxide. This is a liquid when supplied to the tank and turns into a gas. The machine converts it back into a liquid to be used over and over again.*

Ques. What is Sulphur Dioxide (SO²)?

Ans. *The refrigerant is usually found as a gas, but when compressed to about fifty pounds it becomes a liquid.*

Ques. Is it dangerous?

Ans. *No. The effect of breathing it is to produce an irritating sensation, but it is not injurious.*

Ques. How much is required?

Ans. *There is about three pounds in the Model 20—a little more than a pound must be pumped through the system for every pound of ice melting effect produced.*

Ques. Why do you use SO²?

Ans. *We have tried most of the common refrigerants such as Ammonia, Ethyl Chloride, Rigolene, and have found SO² easiest to handle and most reliable and permanent. It contains no element of danger. In many places, such as New York City, a fire wall must separate an ammonia machine from a room where there is a fire. Ethyl Chloride requires a low vacuum to produce a low temperature. Hence, a leak will result in high pressures in the machine. Other refrigerants are inflammable, explosive or unstable. See Bulletin 141 on choice of a refrigerant.*

EXHIBIT 115.—Page of questions and answers taken from the sales manual of the Isko Company, Chicago. Many manuals are made up in this question-and-answer style.

only occasionally. After a comprehensive list of questions has been gathered, these questions may be sent out to the men, one at a time, asking for very definite information as to how the question or objection is overcome by each individual salesman. This method brings in a variety of material, and it may even be advisable in some instances to give more than one answer, when putting the material into manual form. Some firms offer prizes for the best solution to certain questions, thus increasing the interest and effort of the men in giving the subject their attention.

Exhibit 115 shows a page reproduced from the "Sales Suggestion" pamphlet issued by the Isko Electric Refrigerator Company to its salesmen, in the question-and-answer style.

Charts as Features of Manual.—The well arranged chart is often an ideal method of grouping essential items in a concise, easily grasped way.

Exhibits 116 to 119 show some interesting chart pages taken from the manual of a financial organization, which may be referred to as the "D—" Company. These show some of the qualifications that a good salesman should possess, suggestions for getting a point of contact, and so on.

Physical Features and General Make-up.—A review by the Dartnell Corporation, Chicago, of the experience of 80 well known organizations in getting out manuals, reveals the following data:

Size.—Twenty-five use the size of $8\frac{1}{4}$ by $10\frac{3}{4}$, $8\frac{1}{2}$ by 11, or a larger size; 26 use the size of 4 by 6 to $6\frac{3}{4}$ by $9\frac{3}{4}$, while the remainder use smaller volumes.

Style.—Of the 80 concerns, 43 use the loose-leaf system in one form or another.

Thickness.—The number of pages these manuals contain runs from 16 to 500, the usual number of pages being from 30 to 200.

Illustrations and Charts.—Of the total number, 40 contain charts or other illustrations.

General Salesmanship Instruction.—Most of the 80 manuals contain fundamental instruction on salesmanship, the percentage of the volume devoted to this subject running from 2 per cent to 100 per cent. Thirteen gave no space to

THE D ——— MAN

Character

1. Integrity

- a. Clean Living.
- b. Honesty.
- c. Right Motives.
- d. Sincerity.

2. Intelligence

- a. Sense.
- b. Tact.
- c. Resourcefulness.
- d. Mental Power.
- e. Knowledge—
 - 1. General.
 - 2. Special.
- f. Judgment.

3. Industry

- a. Motives.
- b. Impulses.
- c. Dynamic Power.
- d. Initiative.
- e. Continuousness.
- f. Persistence.

4. Selling Force

- a. Versatility.
- b. Specialized Knowledge.
- c. Confidence.
- d. Trading Sense.

Reputation

What others think of a man is too important for him or his employer to treat lightly.

Acquaintance

1. Know People

- a. Their Interests.
- b. Their Friends.
- c. Their Social, Church, Political and other Relations.

2. Know Investors

- a. Their Present Investments and maturity of same.
- b. Their Investment needs and preferences.

3. Know Human Nature

Salesmanship

A Resultant:—

The product of the foregoing elements, manifested as follows:

- 1. Immediate Production.
- 2. Consistent Production.
- 3. Continuous Production.
- 4. Increasing Number of Customers.
- 5. Volume.

EXHIBIT 116.—How the D ——— Company sums up the requisites for the particular type of salesman and the kind of salesmanship needed in its promotion work.

THE D ——— PLAN

PRELIMINARY INVESTIGATION

Present Condition of Company

- | | |
|--|--|
| <ol style="list-style-type: none"> 1. Personal of Management. <ol style="list-style-type: none"> a. Efficiency of Executives. b. Personal History of Executives. c. Business History of Executives. 2. Legality. <ol style="list-style-type: none"> a. Incorporation. b. Real Estate. c. Patents. d. Operations. e. Expansion. | <ol style="list-style-type: none"> 3. Present Earning Power. <ol style="list-style-type: none"> a. Present Sales Volume. b. Present Production Cost. c. Goodwill. <ol style="list-style-type: none"> 1. Market. 4. Product. <ol style="list-style-type: none"> a. Stability. b. Quality. 5. Location. <ol style="list-style-type: none"> a. Accessibility. <ol style="list-style-type: none"> 1. Raw Material. 2. Market. b. Industrial Conditions. c. Banking. |
|--|--|

Possibilities for Development

1. Earning Power.
 - a. Sales Increase.
 - b. Cost Reduction.
 1. Machinery.
 2. Welfare of Employees.
2. Product.
 - a. Development.

FINANCING

1. Necessary Additional Capital Furnished.
 - a. After investigation.
 - b. Subject to supervision.
2. Unification of many small interests with one efficient management.

PERMANENT SUPERVISION

Management

1. Representative of Investors.

Production

1. Overhead.
2. Raw Material.
 - a. Quality.
 - b. Price.
3. Labor Costs.
 - a. Modern Machinery.
 - b. Employees' Welfare.
4. Quality of Finished Product.
 - a. Permanent Goodwill.
5. Constant Development.

Recording

1. Credits.
2. Cost Accounting.
3. Expedition of Manufacture.

Distribution

1. Sales Department.
 - a. Efficiency of Field Organization.
 - b. Elimination of Waste.
2. Advertising Department.
 - a. Permanent Goodwill.
 - b. Reduction of Waste.
 - c. Production of Increased Business.

PERMANENT MUTUAL PROFITS

- | | | |
|---------------|---------------|-----------|
| 1. Director. | 2. Company. | 3. Banks. |
| 4. Investors. | 5. Community. | |

EXHIBIT 117.—Page from the manual of the D——— Company, showing how this company charts its method of investigating, financing and supervising enterprises. Such charts are made a prominent feature of the selling work of this investment concern, and they are put before prospective investors as graphic pictures of the company's procedure.

D ——— SALESMANSHIP

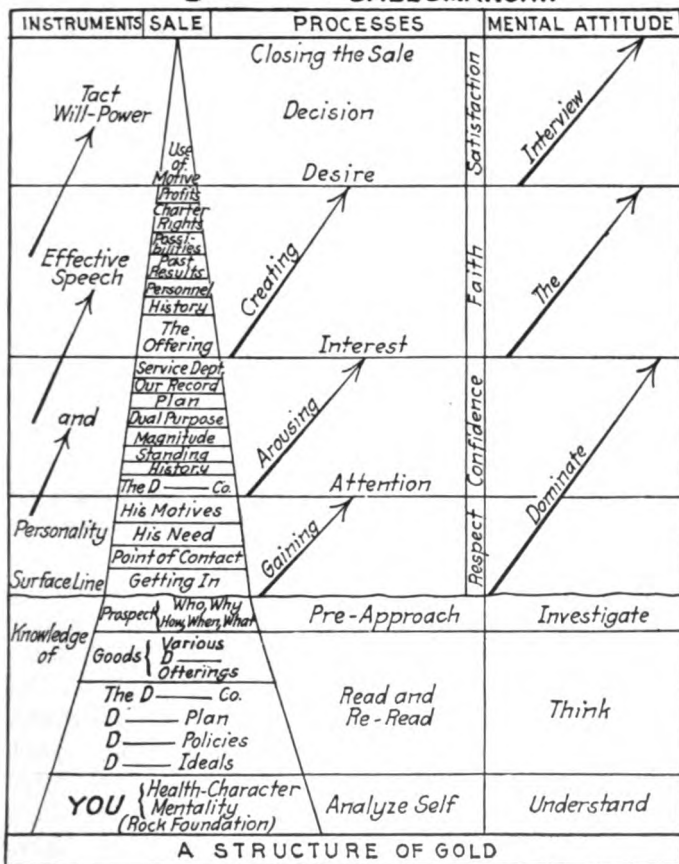


EXHIBIT 118.—Page from the manual of the D—— Company, giving a chart of salesmanship as this organisation sees it.

SUGGESTIONS TO ASSIST IN "GETTING A POINT OF CONTACT"

TYPES OF MEN	HOW TO INFLUENCE
OVER-CAUTIOUS: Slow and doubting. Will argue and reason. Doesn't want novelty. Is suspicious. Steadfast.	Do not hurry him. Use cold logic. Associate new with old. Proposition not too inviting. Get his confidence.
CLEVER OR INTELLECTUAL: Well informed. Not easily influenced. Seeks profit. Firm and decided. Cool and wary.	Make canvass short and pointed. Reason, lead—don't drive. Feature profit. Don't persist if he refuses. Don't rush—be firm.
ARGUMENTATIVE: Intelligent. Talks well. Hard to convince. Deliberative. Likes to argue.	Must know your goods. You lead the line of thought. Don't combat—but suggest. Use logical reason. Avoid argument.
CONCEITED: Knows it all. Seldom reasons. Strong likes and dislikes. Desires power. Will be overbearing.	Cater to his whims. Use suggestion. Be very agreeable. Appeal to vanity. Don't irritate or anger.
IRRITABLE: Discourteous. Seeks justification. Steadfast. Bluffer. Admires cleverness and knowledge.	Be calm and cool. Treat courteously. Win his confidence. Be firm and aggressive. Indirect methods and firmness.
FLIGHTY: Agrees with you. Will not argue. Poor reasoner. Led and influenced. Sociable.	Make him disagree. Get him to refuse—then begin. Give a "flashy" talk. Use frequent suggestion. Know in a social way.

EXHIBIT 119.—This chart from a widely used manual suggests how representatives should proceed in getting a point of contact with different types of prospective investors.

general salesmanship but confined the treatment solely to information about products or service.

RETAIL MANUALS AND COURSES

The modern trend is as strongly toward better trained retailers as to properly instructed manufacturers' field representatives, so the latter part of this Section is devoted to description and discussion of some of the means used in bringing about better retail selling practice.

Limited space makes it impractical to treat all of the ways of going at this big job, but the illustrations used will serve to give some idea of the possibilities offered.

While there has been a decided awakening to the need for salesmanship instruction on the part of retailers within the last few years, the greater part of the educational work in this direction seems to have been undertaken by manufacturers. For this reason, the exhibits shown in this volume are taken from work that has been undertaken by manufacturers and put into use through the cooperation of progressive retail dealers.

Practical manuals and courses emanating from manufacturers and wholesalers, instead of interfering with any organized classroom educational work that may be undertaken by the retailer, form valuable supplemental material.

Armstrong Cork Company's Campaign for Better Retail Selling.—The Armstrong Cork Company, in order to equip retailers and their helpers with a better knowledge of linoleum and its uses and to advance them generally in the principles of retail selling, engaged an experienced lecturer and instructor in retail selling, who planned a course of lessons to appeal equally to salespeople and merchants.

The course is called *Constructive Linoleum Salesmanship*. The subjects treated include the elements of general retail salesmanship, as indicated by these titles:

- History of retail selling
- The three factors of a sale
- The mental law of sale
- Arousing interest
- Creating desire

Closing the sale
Introducing further purchases
Going after business
Gaining the customers' good-will
Requirements of an efficient salesman
Attracting attention
Selling linoleum
Initiative
Sound judgment.
Self-control
Self-analysis charts.

The course was announced in the business papers reaching both merchants and their clerks, by an advertisement making this offer:

Any one interested in selling linoleum may enroll for this course without charge. The lectures will be mailed at intervals of two weeks. Send us your name, the name of your firm, your position, and your home address now. You will be enrolled at once, and will receive the first lecture by return mail.

The preliminary announcement brought an enrolment of over 500—salesmen, buyers, department managers and store-owners. The enrolment eventually grew to 3,145.

The unit booklets of this course are 5 by 7 inches, contain less than thirty-three pages each, and are all printed in large type, with prominent subject headings.

In the lectures, actual examples of good and poor work are cited. For example, an incident occurring in the rug department of a Cleveland store is quoted to show the value of courtesy. A woman wanted to buy a few inches of brass-nosing for linoleum, and when told that the salesman would have to send to the warehouse for it, she was very apologetic about having caused so much bother for a 13-cent purchase. The salesman replied, "Madam, we pride ourselves on our service. This store exists to be of service to you in every way possible." A week later the woman returned, asked for the same salesman and purchased three rugs from him for over a hundred dollars. She had expected to buy the rugs elsewhere, but his courtesy made her decide to come to him.

How the dealer can educate the public in the general use of linoleum for every room in a home, is described in one of the lectures. In the model bungalow on exhibit at the State Fair of Indiana, the Taylor Carpet Company, of Indianapolis, showed linoleum on every floor. This demonstration brought the store many purchasers of linoleum.

The author of this course knows that salesmen frequently lose sales because of inability to adequately describe the article they are trying to sell—that they haven't the vocabulary. He counsels them to write down every word and phrase applicable to the goods and to commit this vocabulary to memory. He gives these good suggestions:

Linoleum Floors Are Artistic:

- A logical floor.
- Blend with your color scheme.
- Bright, cheerful patterns.
- Interesting decorative effects.
- Rich, mellow tones.
- Dainty, subdued hues.
- Exclusive designs.
- A sensible, artistic floor.
- Superb background for your rugs.

Linoleum Floors Are Comfortable:

- Soft and resilient under foot.
- Warm in winter; cool in summer.
- Fine for romping children—no hard bumps or falls.

Linoleum Floors Are Sanitary:

- No cracks or crevices to catch dirt.
- You know how easy linoleum is to keep clean—just use a damp mop.
- Germicidal properties.
- Most sanitary floor known.
- Promote better health.

Linoleum Floors Are Practical:

- Cost less than wood.
- Wear longer.
- New floors for old at less expense.
- Wear like iron—on inlaid, the colors go through to the burlap back.
- Hard to scratch,
- Continual source of satisfaction,
- Fulfil all requirements,
- Lighten the housework.

SINGLE WORD-SUGGESTIONS

Adaptable, Appropriate, Artistic, Cheery, Clean, Comfortable, Dainty, Dignified, Durable, Economical, Elastic, Exclusive, Good-looking, Harmonious, Impressive, Inexpensive, Inviting, Labor-saving, Noiseless, Permanent, Practical, Quiet, Resilient, Sanitary, Satisfactory, Sensible, Serviceable, Slightly, Smart, Spick-and-span, Striking, Tough, Utility, Unobtrusive.

Included in the lectures are lessons on store- and window-display, methods of finding and following up prospects and increasing markets. There are three lectures on the best methods of laying linoleum, and how the customer should care for it after it has been laid. The history and manufacture of linoleum are given, and the final lesson contains necessary information on home-furnishing, so that a prospective buyer may have explained to her how a linoleum floor blends with the interior decoration of the home.

Exhibit 120 gives an idea of the appearance of the booklets. This group shows a title page, an inside page and the list of questions on one of the lessons or units of the course.

(Summarized from *Printers' Ink Monthly*)

Edison Electric Appliance Company's Plan.—This manufacturer of electric appliances has put out a course or manual for retail salespeople interested enough in the subject of better selling to submit a problem sheet on each lesson.

The course is divided into three parts, each part consisting of five lessons or booklets, punched for binding, so that they may be kept as a permanent reference. The little booklets measure $7\frac{1}{2}$ by 5 inches and are freely illustrated with charts, diagrams and drawings, thus visualizing the various points brought out in each lesson. A problem sheet accompanies each of the little booklets when they are sent out. The stress that was laid on the working of the problems is shown by a glance at Exhibit 121, which is a reproduction of the back of one of the problem sheets. These problem sheets are made up in a size 14 by $9\frac{1}{4}$, which, when folded twice, just fit into the little booklets.

The three parts of the course cover:

1. The Fundamentals of Current Electricity
2. Electrical Heating Appliances
3. Salesmanship, Advertising and Store Management.

The man who puts his knowledge to the test will always get farther in life than those who are not sure just what they know

THE PROBLEMS

The most important part of your training in this Course is your work on the Problems.

When you work the problems, you concentrate on the *most important points* of each lesson, and you get these points clear in your own mind.

Work your problems on this Sheet, writing the answer in the blank space under each question.

Sign your name, address, business connection, and the date, and mail the Problem Sheet to us.

We will go over your answers, correct them, give your paper a grading, and return to you.

Upon your satisfactory completion of the course, you will be awarded a certificate.

Address your replies to

EDISON SCHOOL *of* SALESMANSHIP

Care of EDISON ELECTRIC APPLIANCE COMPANY, Inc.
5600 Taylor Street, Chicago

EXHIBIT 121.—Showing how the Edison Electric Appliance Company laid emphasis on the working out of the test problems.

Correspondence Course of American Ironing Machine Company.—The American Ironing Machine Company found, by a little investigation, that retail salespeople in general do not have at their fingers' ends enough information about Simplex Ironers to sell them properly. Not even such essential information as the cost of operation, the principal kinds of work that the ironers will do well, and so on, was understood. Some of the sales clerks approached by the investigator gave information that actually discouraged rather than encouraged sales.

As a result of this investigation, the American Ironing Machine Company took up with its dealers the question of aiding the retail salespeople, not only to sell Simplex Ironers more efficiently, but to sell other household equipment better.

The dealers were asked for their opinion and for the names of their helpers. Naturally, not all of the dealers cooperated immediately, but enough did respond to convince the manufacturer that the proposed plan was worth a trial.

Correspondence courses have been made so popular by the commercial schools that the American Ironing Machine Company decided that a course of this kind had advantages over a book, a set of books, or the house-organ method of instruction.

Accordingly, twenty-four lessons were prepared in the form of letters from the company. These were multigraphed on special letterheads. The following gives a general idea of these lessons or letters:

PRICE

Sometimes the mistake is made of attempting to sell a machine on "low price." Such sales rarely prove satisfactory. The requirements of the customer may call for a larger and more expensive machine—the work may be such that a larger machine is necessary to do the work or to produce the desired quality of work. When sales are made on "low price," without proper regard for the circumstances under which the machine will be used, the machine is likely to come back after the trial period and the customer to lose confidence in the dealer.

The reverse of this is also true. A salesman should not attempt to sell a customer a larger machine or appliance than she may need, simply because he knows she can afford it. People of means usually have intelligence and want value for their expenditure, and a salesman in recommending too large a machine is likely to be caught up on the sale, and being unable to justify his recommendation by facts, forfeits the confidence of his customer. Even if the sale is made, the fault is likely afterwards to be discovered and a good booster, if not a customer, lost.

The successful salesman, during the demonstration, asks questions upon which to base his decision as to which style and size machine is best suited to the work. For instance, if he is selling the Simplex Ironing Machine, he asks about how many hours a week hand-ironing now requires. This gives him an idea as to how much work is done in the laundry. Then he asks how wide her tablecloths are and how wide her bed-sheets are. Then the next important thing to find out is how many

people are in the family. While demonstrating the ironer, the salesman finds out casually whether the housewife does her own ironing—whether electricity is used—and other facts that are asked for on “Consumer’s Postcard” shown in your Simplex Selling Plan Portfolio.

This information makes it possible for the salesman to recommend which style and size machine is best fitted for the customer to buy. Remember that in selling an ironing machine, or other household appliance, price is not the important thing. The customer wants service and the successful salesman assures her service by seeing to it that the customer gets the right machine to give it.

SECTION X

DIRECTING AND DEVELOPING SALESMEN

Selecting the right type of recruits for the sales force and installing a system for preliminary training are long steps toward successful sales management but not the entire journey. The sales manager's job is a continuous performance of instructing, directing, encouraging, scolding, and inspiring. In this Section are described some of the methods found helpful in well known sales organizations.

Questions for the Sales Manager to Consider.—Before a sales manager can direct and develop the work of his men intelligently he must, through his own experience, or through study, get a good understanding of the following and perhaps many other questions:

1. Is the compensation plan for the men one that is well adapted to the type of work to be done?
2. Does the work require men or women of considerable experience in selling, or will better results be attained by employing and training promising young men or women who have had no great experience in business?
3. What ought the supervision to be?
4. What is the minimum amount of routine work to be performed by the men?
5. The training course—what should it be and how long?
6. How far inspirational letters, bulletins of information, a magazine for the men, contests, clubs, home-office and branch-office meetings, conferences with individuals, trips by the sales manager, or by a supervisor with individuals, will help.
7. How expense may be regulated.

The Question of How Much Supervision.—An important question that the sales manager, the general manager, or the marketing committee must decide in connection with new

plans is that of how much supervision salesmen need and what supervisory expense is warranted.

This, like most other questions about good sales practice, is something that depends largely on conditions. There are types of men in selling work who require less supervision than others. It is folly to load down the sales organization with unnecessary major and minor bosses whose salaries range much higher than those of individual salesmen.

In those cases where the goods sold are staples and where the men sent out are not required to impress on buyers any company policy or institutional ideas, the supervision may be much less than in cases where it is highly important to have every man of the organization living up to a carefully designed policy.

Several sales managers whose experiences have been exploited in the business press during the last year or so have found it decidedly profitable to divide up the responsibility of supervising—to delegate authority to a number of experienced men who possess the quality of leadership and to have these lieutenants give their special attention to groups of five, six, or more men. Whether these men are known as district managers, supervisors or branch-office managers, is immaterial. The arrangement gives a number of units or divisions of the sales force a leader who can devote more attention to answering the questions of a salesman and to helping him solve his problems than when the sales manager himself tries to assume the entire supervision.

An insurance manager who was employing a staff of twenty-two men has related his experience in *Printers' Ink*. When he assigned two of his trusted men to supervisory work, he temporarily lost something in the way of sales that these two men had been creating individually, and there was a corresponding increase in the sales-expense percentage. But in three months, the good work of the two supervisors and coaches on the organization had shown itself and increased business had taken care of the additional expense.

In organizing house-to-house soliciting forces, the district manager or supervisor is indispensable. A large work of this kind cannot be undertaken and pushed forward properly

by supervision from one central point, or by the service of one manager, however able he may be.

Where a sales force is local and can be assembled easily for weekly conferences, it is possible for one man to supervise the efforts of a larger group. The representatives who are traveling long distances or working far away from home call for more supervision. This is especially true where the men are young or where women make up the sales force. Group conferences may be held, even if only three or four of the salesmen can be drawn together.

The practice of sales managers to see every man on the force once or twice a year and to make some visits around with him in his territory is helpful. Often it is desirable to have the advertising manager or an assistant do the same thing.

It is easy for business managers to deceive themselves about the way instructions that are carefully planned and carefully given at general sales conferences are carried out. The men of the sales force may be enthusiastic about these plans and, as a crowd, make a hurrah about them, but unless there is reasonable supervision and check-up it will likely be found that a good proportion of the men, when they get back to their fields, are soon proceeding in the old routine way. Sometimes it is necessary to take drastic action in order to show a sales force that the management really means to have certain things done or explained to consumers or to the trade.

In brief, coordinated action of any kind will not be secured merely by convention announcements. Salesmen are as human as any other class of business workers and need constant coaching and checking up.

Wahl Company's Supervision.—The Wahl Company, makers of "Eversharp" pencils and pens, believe that considerable superintendence is needed if a high standard of selling is to be maintained. In the Wahl organization there are sixty-five experienced men selling direct to dealers and working on a salary and bonus basis. While the compensation arrangement is one that should stimulate salesmen to their best efforts, this concern has found that men get into ruts so easily that it is profitable to employ four division-sales

managers, each of whom has an assistant. The duties of these eight men are to work with and to supervise the sixty-five salesmen. Zone sales conventions are held twice a year.

Commenting on the Wahl policy, in a review published by *Printers' Ink*, Mr. Frost, general sales manager of the Company, remarked:

Every salesman has many discouraging experiences and is usually so close to the trees that he cannot see the forest. The superintendent who comes in from the outside, with a fresh viewpoint and rich experiences gained in other territories, invariably is able to solve difficult problems for salesmen and leaves them refreshed and invigorated.

In selecting these sales superintendents, I make it a point to secure men who are super-salesmen, in other words, "pinch hitters." I also secure men who are sincere and sufficiently mature to hold the respect of salesmen. In addition to this, they all have the necessary authority to command obedience. The recommendation of the division superintendent is sufficient, in the majority of cases, to eliminate the salesman who is unsatisfactory. Great care has to be taken, therefore, to secure men as superintendents who will make the best use of this privilege and not abuse it.

I ascribe the continued success of the Wahl business to the close supervision we give salesmen.

What to Instil into Men.—There are many definitions and descriptions of good salesmanship. Every sales executive will naturally make up his own summary of the qualities he wishes to develop in the members of his force. It may be helpful, nevertheless, to read a few summaries that have been prepared by others.

William H. Rankin, president of the William H. Rankin Company, has given, in the *Sales Manager*, the following list of qualifications of a successful salesman:

SALESMAN SUCCESS QUALIFICATIONS

A.—Fundamental Physical and Mental Equipment:

- 1.—Health.
- 2.—Clean morals.
- 3.—Sincerity, honesty, truth.
- 4.—Ability to analyze a proposition into its simple elements.

- 5.—Ability to construct a plan from simple elements—vision—imagination, based on facts.
- 6.—Ability to execute.
- 7.—Self-confidence—self-reliance.
- 8.—Resistant will power.
- 9.—Judgment—common sense—the art of using a rule as a guide, not as a groove to slide into unthinkingly.
- 10.—Ability to read character.
- 11.—Courage to resist discouragement—the fear thought.
- 12.—Resourcefulness.
- 13.—Concentration.
- 14.—Thoroughness.

B.—Operative Qualifications:

- 1.—Cultivate the dynamic will to force thought into action—the will to use your powers to analyze—to construct a plan—to execute a plan.
- 2.—Be polite.
- 3.—Be tactful in overcoming prejudice—the cave man's violent methods antagonize most buyers.
- 4.—Speak forcefully—truthfully—convincingly.
- 5.—Listen attentively to know your customer.
- 6.—Really study your customer's likes and dislikes.
- 7.—Be persistent and consistent.
- 8.—Set a goal and objective, and try to make it.
- 9.—Be punctual in keeping appointments.
- 10.—Be brief, but not short.
- 11.—Be decisive.
- 12.—Be resourceful.
- 13.—Work—work—work. Work is the mother of inspiration and of results.

An English Expert's Views of Good Salesmanship.—C. F. Higham, M. P., one of Great Britain's greatest selling and advertising authorities, has outlined the following as his views of what the successful salesman must be and what he must do:

WHAT A SUCCESSFUL SALESMAN MUST BE

The man who claims the honor of being the most successful salesman in his line must have ideas, which he can work out, which he can make others work out for him. He must have the courage of his convictions. He must not only have the ability to do things, he must have the will to do them.

He must not only be willing to shoulder responsibility offered him he must take—he must seize responsibility without arousing antagonism.

He must have initiative—tempered by diplomacy.

Men who can make up their minds as well as other people's minds are so few that these few soon become sales managers, vice presidents or partners in the business. And remember, a business is judged by the vice presidents it keeps, the sales managers it promotes.

These men decide what they want—and then go after it. They work, work, work increasingly. They are never satisfied. Each achievement is a spur to other greater ones. These men are happy only in action. They cannot rest on their laurels. They help others move forward, but they in turn are directed to constant activity by their one master—their own restless ambition. Are they happy? Who knows? But they are successful salesmen, and that's the subject of this little book. Personally, I think there is not happiness in business so great as the experience of having made good over a period of years as a successful salesman.

WHAT TO DO TO BE A SUCCESSFUL SALESMAN

Be careful of your personal appearance. Look prosperous—act prosperous. To be what you want—you must act what you want to be. Your backbone must be as strong as your wishbone.

Be kind—that is a great virtue. Be courteous. It costs nothing, and gains you much of value. It is so easy to be courteous that most people are not courteous.

Never break your word—but don't give your word promiscuously. Make your promise valuable because it is rare and reliable.

Be an optimist—pessimists never go far.

If you don't like your job, discharge yourself and take one you do like. You must like your work best to do your best work.

You must take chances if you want big prizes. The man who never made a mistake never made anything else worth while. But make your mistakes few and far between.

You must have faith in yourself before you can make others have faith in you.

Act—the world judges you not by what you can do, but by what you do do.

Don't dissipate.

Don't knock others, but drive home the nail of truth with the hammer of will. This is the pace necessary to win the race.

PHYSICAL FITNESS AND APPEARANCE

That a salesman must "look the part" may be put down as an essential of success, without going into detailed explanation. This requirement covers:

1. Good health, including the stamina to stand hard work.
2. Clean appearance.
3. Appropriate dress.

These are essentials in which the new man must be coached by his superior, if he is lacking in discernment of what is required. With the first item, the sales manager or the district or department manager can do little except in the giving of general advice. Some organizations, however, go so far as to provide or suggest a scheme of exercise or other living habits that promote physical fitness. These may include—in the case of resident salespeople—exercise rooms, rest-rooms, bathing facilities, athletic organizations, all of which may promote not only physical fitness but a degree of acquaintance, social intercourse and company spirit that play a real part in successful salesmanship. Bowling, baseball, golf and tennis matches between departments all have their place. That an organization provides facilities for such exercises and sports may aid greatly in drawing to it men and women of the better type.

It is clearly within the province of the sales manager to coach his men on the matter of sane, clean living, so that they can give the best account of themselves. How far he may go in attempting to guide them in their morals and their daily habits is a matter, of course, for his own judgment.

Unfortunately, some men—and women, too—are so negligent in the matter of preserving a clean, attractive appearance as to call for frank advice from a superior. A salesman may succeed in spite of his shortcomings on these points, but a good sales manager will feel justified in calling attention to noticeable negligence. Clean faces and hands and properly-cared-for teeth are usually essentials that cannot be safely sidestepped.

Proper Dress.—What may be proper dress depends on the kind of selling work to be done. The representative of a

high-class jewelry or security house must present an appearance in keeping with his job, and that appearance calls for a style of dress that may be inappropriate for the man in other types of selling. An example that illustrates this difference is found in the experience of a concern that sold its goods through the small towns of the South, where the salesman of "dandy," immaculate appearance would not be dressed "for the part." In this instance, the men of the selling force were urged to wear soft collars, soft hats and to smoke pipes—if they smoked at all—rather than cigars. This "dress approach" enabled them to mingle more easily, and made a better preliminary impression in the communities in which they were expected to work.

There are services and products that can be sold most successfully by men who look like engineers or mechanics. White hands and daintily manicured nails would be as much out of place in selling farm machinery and lathes as horny hands in the selling of artists' supplies or fine linens.

Simple and elementary as these principles and observations may seem to the discerning reader, they are given a place in this volume merely because it is an every-day occurrence to see gross violations of such fundamental necessities of high-class selling.

MENTAL ATTITUDE AND DEVELOPMENT

Physical fitness plays its part in selling but is not as essential as proper mental attitude and development, for sales are made in the mental realm rather than in the physical.

It may be true that almost any person of reasonable intelligence may be trained to sell with a degree of success, but sales managers or heads of businesses—having an eye to the competition that must be overcome—are eager to secure candidates with more than average qualifications on the mental side and to leading them to a higher order of development. This problem, though stated here in a few words, is one of great scope. Other Sections of this Handbook deal with ways and means of finding good recruits for a sales force and with methods of training.

The essentials, from the individual point of view, are covered simply in Exhibit 122.

Successful Salesmanship a Matter of Development.—While the successful salesman must eventually, to a reasonable degree, possess all of these qualifications, or the ability to meet the various requirements, he is not likely to rank high on every point at the outset of his selling career. Successful

ESSENTIALS OF SALESMANSHIP

1. Preparation For Selling :

- (a) Physical Fitness and Appearance
- (b) Mental Development and Attitude
- (c) Study of Business or Product
- (d) Preparation of Selling Talk (and possibly preparation for skilful Demonstration).

- 2. **Developing Leads or Sources of Business.** 2, 3, 4, 5, and 6 call for
 - (a) Confidence
 - (b) Resourcefulness
- 3. **Getting the Interview, or (in the Case of Retail Selling) Getting Favorable Attention.**
 - (c) Ambition and Energy
 - (d) Ability to talk well
 - (e) An understanding of human nature
- 4. **Developing Interest.**
 - (f) Ability to perceive customer's need and to show particular application of product or service to it.
- 5. **Creating Desire or Conviction.**
- 6. **Inducing Action or Making the Impression That Will Later Induce Action.**
- 7. **Preserving the Sale and Safeguarding the Patronage of the Customer and his Good-will.**

EXHIBIT 122.

salesmanship is usually a matter of development, an evolution, rather than a case of entering the field full-fledged with all of the required qualities or experience.

The salesman of the quiet, modest type often has in his favor the fact that he is perceptive and appreciative. He may never become the aggressive man of extraordinary nerve and confidence. Yet there is a type of buyer with whom the quiet, cultured man who not only introspects but who has scrupulous regard for the qualities and attitudes of other people, gets farther than the thick-skinned type of salesman.

A Strong Motive Essential to Success.—The would-be salesman, like men of other groups, must, of course, be possessed with a motive or ambition sufficient to carry him through the developing period. In an extensive investigation made by a large sales organization to determine the essentials of a good salesman, the results were inconclusive on many points but showed one fact beyond all doubt. That is, in every case, the man who became a good salesman had a strong motive of one kind or another that acted as a mainspring. In one case, it may have been love of money. In another case, the man may have been of extravagant tendencies but wanted a life or work that brought him into contact with his fellowmen. What the motive is matters little, provided it is a worthy one and provided it leads to the end sought by the sales manager—the ability to sell goods or service.

Possible Mental Development.—When we approach the mental realm and try to decide how far mental qualities exist at birth and how far one may go in changing his mental stature, we enter a field where it is not possible to lay down cut-and-dried rules or conclusions. It is safe, on the other hand, to hold that mental development may go much further than physical development. The psychologists put down percentages ranging from 10 to 50 per cent as the standards to which the general run of mankind advances in mental development.

Familiar instances, such as praying in public, speaking while standing, composing letters, and the like, show that tasks that at first are difficult to many people come, after reasonable practice, to be undertakings that may be performed with facility.

Consequently, the course for the would-be salesman is that of charting himself—either unaided, or by the assistance of a competent adviser—so as to find what he needs for the kind of selling work that he expects to do, and what he lacks. Then he can go to work honestly and persistently to strengthen himself.

Danger of Too Much or Too Little Introspection.—To introspect or “look within” is a needful habit for the man who hopes to grow to his Bigger Self. For, until he knows himself and

realizes his needs, he will not be able to set up for himself the higher standard at which to aim.

Introspection carried to extremes becomes a detriment and may result in pessimism, excessive self-consciousness or discouragement. The man who is deeply conscious of his failings and is lacking in confidence must have his faith in himself stimulated by his superior or by inspirational reading. If he reads inspirational literature, he will see that other men have had the same or similar shortcomings and have made up for them by persistence. The experiences of fellow-salesmen will help such a man, for these experiences all show cases of discouragement and weakness overcome by intelligent effort.

Encouraging Self-analysis.—Many sales managers believe in encouraging their men to make a careful analysis of themselves at the outset of employment. In some cases the sales manager feels it expedient to have the analyses of the men come to the home office for review, if they are working in a branch office or in a distant district. In other cases, the sales manager believes that a man will be more frank with himself if he goes through with his analysis entirely alone and submits it to no one.

Following is a self-analysis chart used by the sales manager of the Extension Division of the United Y. M. C. A. Schools, which is the department of the Y. M. C. A. organization selling correspondence instruction. In sending out this self-analysis chart, the sales manager wrote each man the following letter:

Dear Smith:

I have learned that good advice is the prescription that few of us are naturally inclined to take. But there is one bit of advice that every mother's son of our organization can take without reservation. It has come down through the ages from the lips of Socrates. He said, "Know Thyself."

Searching self-analysis helps us to overcome our weak points and to improve our strong points.

If you will have a heart-to-heart talk with yourself and follow Socrates' advice, this self-analysis chart will help you. This chart has been prepared with a view to bringing out major characteristics.

The method of grading is simple. Grade each question on the basis of 0 to 10. If you are what you think you should be, give yourself 10

points. If only medium, 5; and if entirely disqualified, put down 0. In considering these points, apply just ordinary common sense, and above all, play fair.

When you have graded yourself on every count, add them up, and divide the total by 10, to find your percentage of efficiency.

We don't want to have this chart back again. It is just a suggestion for your personal use. We hope it helps you.

Sincerely yours,

G. N. Scherman

Sales Manager.

SELF-ANALYSIS CHART SUPPLIED BY SALES MANAGER

THE MAN AND THE JOB

The Man

Initiative

1. Do you get out and hustle for leads, rather than sit and wait for inquiries from headquarters?.....
2. Have you gotten yourself on the program of every American Legion post in your territory?.....
3. Have you gotten yourself on the program of all other clubs in your territory, such as Advertising, Rotary Club, Labor Union, etc?.....
4. Have you secured the membership lists from organizations listed in the foregoing paragraph and circularized them?.....
5. Have you secured membership lists and educational inquirers' lists from local associations?.....
6. Have you had personal interviews with all leading officials and prominent people in your territory, such as editors, ministers, Sunday-school Superintendents, club and organization officials, corporation officers and women's clubs, the Y. M. C. A. secretaries, Mayor, Chief of Police, Fire Chief?.....
7. Have you organized a students' club?.....
8. Do you continually and consistently search out new leads?.....
9. Do you call on students whenever you can?.....
10. Have you learned how to get prospects from your students while making these calls?.....
11. Do you look for new prospects every day, wherever you are or whatever you may be doing?.....

Tact

1. Do you always practice the highest courtesy?.....
2. Do you refrain from gossiping about people?.....
3. Do you avoid the use of sarcastic remarks which give offense?....
4. Are you quick-tempered?.....
5. Do you conscientiously try to control your temper and words?...
6. Do you laugh boisterously?.....

7. If a man makes a slighting remark about your work or your employer do you keep cool?.....
8. Do you avoid arguments that lead nowhere?.....
9. Do you present your story in such a way that the prospective student admits the things you are telling him are facts, so that when he tries to get out of enrolling you can say "but you admit so and so?".....
10. Do you make friends easily?.....
11. Are you making friends, even where you do not make students, for the United Y Schools?.....
12. Are you winning the "Y" secretaries to an interest in the school and as boosters for the courses?.....

Self-development

1. Are you pursuing a course of study to improve your own ability?.
2. Are you analyzing your failures to find the causes of failure?....
3. Are you analyzing your successes to find the causes of success?..
4. Do you do so with particular regard to every sale you make and lose?.....
5. Are you having fewer failures and more successes as a result of this analysis?.....
6. Are you developing your personality, so that it, as well as your argument, will prove attractive to the prospect?.....

Appearance

1. Do you exert yourself to make a pleasing impression?.....
2. Do you make your outward expression attract people favorably?.
3. Are your clothes chosen with care in respect to fit, color, etc?....
4. Are your suits kept pressed, linen clean, etc.....
5. Do you dress as a gentleman should?.....
6. Do you keep your shoes shined, and up at the heel?.....
7. Do you know when and where to use a tooth-pick and a nail-cleaner?
8. Do you bite your nails?.....
9. Do you keep them manicured?.....
10. Do you walk erect?.....

Health

1. Is your health an asset?.....
2. Do you observe the simple health rules regarding eating and drinking?.....
3. Do you practice deep breathing?.....
4. Are you easily fatigued?.....
5. Do you take plenty of exercise?.....
6. Have you any bad habits which undermine health or reduce efficiency?.....
7. Is your breath sweet?.....
8. Do you bathe regularly?.....

The Job

Prospective Student

1. Do you try to put yourself in the prospective student's position?
2. Do you try to sell courses or education? In other words, do you sell the course to fit the man, or try to make the man fit the course?.....
3. Do you honestly advise the prospective student rather than merely try to sell the highest-priced course?.....
4. Do you treat the prospective student as you would like to be treated?.....
5. Do you learn as much as possible about your prospective student before the interview?.....
6. Do you endeavor to lead rather than "boss" your prospective student?.....
7. Do you do away with technical language, always making things plain?
8. Do you ever exaggerate?.....
9. Do you recognize the influence of the women in the house? Do you try to have them called in at your interview?.....
10. Do you ever knock other schools?.....

Your Goods

1. Do you know your goods thoroughly?.....
2. Do you endeavor to find out all there is to know about what you are selling?.....
3. Are you systematically learning more about the different courses, so that you may talk about them more intelligently?.....
4. Are you observing occupations and learning from your interviews more about men's work and their educational needs?.....
5. Are you keeping in touch with your students, so as to observe the text, supplies and lessons sent out by the schools and the students' corrected work, thus increasing your knowledge of the different courses and the schools' method in handling the students?.....

System

1. Do you keep a record of *all* prospective students?.....
2. Do you follow up prospective students promptly?.....
3. Do you keep a record of interviews and follow up those prospective students who say "come around again"?.....
4. Do you work by schedule every day?.....
5. Do you spend two hours a day distributing advertising matter?..
6. Is this advertising matter distributed systematically?.....
7. Are you prompt in keeping appointments?.....
8. Do you make out the detailed reports required and send them off promptly?.....

9. Do you answer your mail promptly and fully?.....
10. Do you keep an office hour?.....
11. Have you read the Manual of Instructions lately, thus saving your time in asking and headquarters' time in answering so many needless questions?.....
12. Do you strive to be efficient and systematic?.....

Interest

1. Have you a whole-hearted interest in your work?.....
2. Do you value the power of positive words and ideas?.....
3. Do you observe and study people's features and characters?.....
4. Do you constantly study to improve your selling methods?.....
5. Have you read the Six-Day Training Course more than once?....
6. Do you review your day's work for the improvement of tomorrow's?.....
7. Are you willing to work long hours, early and late?.....
8. Do you read your *Extender* regularly?.....
9. Do you realize the "bigness" of the work you are engaged in?...
10. Do you analyze your sales to see whether you are selling a wide range of courses rather than one or two groups?.....
11. Do you use odd minutes to good advantage in writing out a good sales talk for every course which you are not now selling?.....
12. Are you fully conscious that every lead is a valuable asset, worth \$3 from a monetary viewpoint, and a great opportunity to be of service to a fellow man?.....
13. When you rise in the morning, do you look forward with pleasure to the day's opportunities to be of service?.....
14. When you ring the door bell and discover that no one is at home, do you regret that you will not have the immediate pleasure of helping another man to start on his road to success?.....
15. Do you regard the selling work as an avocation, an occupation, or profession—in more common English, is it a side line, a business that occupies your regular working hours and provides your living, or is it the highest type of professional work that is worthy of the best that is in you?.....

Cooperation

1. Do you work with your District Representative as closely as you ought?.....
2. Are your criticisms constructive?.....
3. Do you resent, or take in a bad spirit, fair criticisms of your work?
4. Are you always open to suggestion?.....
5. Do you do your share toward making the *Extender* the magazine of the field by sending in ideas and suggestions?.....
6. Do you offer suggestions as to how the work of the Schools may be benefited?.....
7. Are you loyal?.....

Confidence

1. Do you believe the Extension Division to be the very best educational institution of its kind?.....
2. Do you believe in correspondence instruction, plus Y. M. C. A. Extension Division service?.....
3. Are you enthusiastic over the great possibilities in the future development of the Extension Division?.....
4. Do you believe in the value of salesmanship as an economic factor?.....

Total

Your percentage (divide by ten).

Affirmative, Not Negative, Suggestions.—As a matter of personal psychology, no man hoping to be successful as a salesman should try to argue with himself that he is absolutely lacking in this or that essential. His cue—to use a stage term—is to be affirmative, not negative—not “I am afraid I can never hope to talk clearly and convincingly,” but “I know that I have at least the average amount of ability to talk clearly and convincingly and I am going to keep right at the job of improving until I get up to a good standard—taking help from every source available.”

Such talk with oneself is referred to as auto-suggestion. A plainer way of putting it is that these suggestions come from a man's better self, the side of him that is always urging him to put the best foot forward, to do the right and the bigger thing.

The truth is that every man probably has within him the dormant or uncultivated power to rise to average ability in every requisite of salesmanship. His ability in some respect is often deficient, just because it has never been developed or exercised. It is like an arm that has been bound to his side. It is not, of course, given to every man to rise to the very top of his profession or calling, but it is a scientific fact that every man is endowed by his Creator with a “good average” of qualities, thus enabling him to be reasonably proficient in a large number of occupations.

Therefore, a good working program for the man who is weak in some essential is this:

1. Introspect, not to the point of brooding or discouragement, but to see clearly what his stock in trade is.
2. Charting or listing the personal essentials, with particular emphasis on those to be cultivated.
3. Constant suggestion to self for strengthening of the needfuls.
4. Receptiveness to instruction, close observation of work of others and stimulating reading.
5. Regular checking up as a record of progress.

Coaching a Candidate on His Weak Point.—Some sales managers have a way of startling candidates by saying, after they have told of their good points, "I see. Now tell me what your weakest points are." The sales manager expects a frank answer and then proceeds to tell the candidate, if he is accepted for service, how he may go about rounding himself out, as it were, for the particular type of work to be undertaken.

To illustrate: a salesman for a food-products concern admitted a fault of talking too much, of talking his prospective customer "off his feet" sometimes at the very outset of the interview, thus prejudicing the case. The sales manager urged him to try the plan of walking into a few stores and saying nothing, but just drawing out of the sample case a particular product that the retail dealer had not seen and putting it on the counter. "Don't say one word until he has spoken. He will say something like this. 'Well, what's this you're giving me?' Then you have your chance to start right off with an answer to his question."

The salesman tried this plan and found that it worked to his advantage.

The Man of Little or No Introspecting Power.—As an exact opposite to the man who introspects excessively is the type described graphically as "the man of thick skin"—he who is egotistic to the degree that he feels he is highly qualified on every essential and who rarely takes lessons from rebuffs or criticism, unless it is criticism that is beaten in, so to speak.

This type of man is so self-sufficient that at the outset, at least, he has no facility for self-correction. His only salvation

if he is to climb high as a salesman, is frank talk from a superior and some strict supervision. As every sales manager knows, men of this type have to be told that there are certain things that they must do if they are to be retained as members of the organization.

Men of the over-confident type are not necessarily undesirable members of an organization. There is often work to be done that requires extraordinary confidence and nerve, and the man who has these qualities may be exceedingly valuable to an organization. He merely needs a different type of regulation from the quiet, unobtrusive man, whose confidence must be built up rather than curbed. The man with confidence to spare may be compared to the race-horse that requires the tight rein or the one that occasionally needs the whip or the loud voice of the driver.

What Salesmen of Both Types Need.—The man who has the job of leading the minds of other people and helping them toward certain buying decisions, cannot afford to curtail his own mental growth.

He should make it a rule to:

1. Associate with other men of good intellectual standards and business accomplishment.
2. Read regularly books, magazines and newspapers that keep him informed and stimulated.
3. Hear lectures, sermons and talks by brainy men who will put before him high ideals, standards and methods.
4. Form the habit of thinking and planning things out in the quiet of his own room.
5. Cultivate the knack of adapting—that is, of learning how other men in other lines of effort accomplish certain results and seeing how their methods may be adapted to his own field.
6. Have at least one hobby that will give his mind a change from daily work and enable him to come back to it with fresh thought.

STUDY OF BUSINESS OR PRODUCT

There is no need of a long discourse about the necessity of the salesman's knowing well the commodity that he undertakes to sell, whether that be a tangible product, such as a pair of shoes or an automobile oil, or an intangible thing such

as a bond or a membership in a state chamber of commerce. Unless he has at his fingers' ends all of the information that a prospective customer has a right to expect, he is in the position of an order-taker rather than a salesman.

Following is a helpful summary of various methods used in familiarizing a sales force with the commodities that they have to sell. Not all of these sources or methods will apply to every product that is sold.

1. Textbooks dealing with the history of the product or business or the technical side of the industry.
2. Advertising literature.
3. Photographs, sketches or drawings.
4. Visits to factory.
5. Visits to sources of raw material.
6. Lectures by experts or specialists, who may be those who design or make the material or those who have had much experience in installing it, using it or selling it.
7. Attendance at demonstrations of the article and learning how to demonstrate.
8. Talks with customers who give their experiences and views.
9. Letters from customers.
10. Articles in trade magazines, newspapers or general magazines.
11. Knowledge of competing articles and comparison with the article under study.
12. Analysis of article itself, perhaps picking it apart and subjecting it to different tests or methods of investigation.
13. Thorough review of the various uses to which article may be put. This involves all of its selling points—characteristic features, wearing quality, economy, style, exclusiveness, convenience, etc.

A Sales Manager's Review of Essentials.—When George W. Lee, general sales manager of the Todd Protectograph Company, was preparing an address on the essentials of salesmanship for presentation before the Rochester Advertising Club and the Greater Buffalo Advertising Club, he asked 300 executives—purchasing agents, advertising managers and other commercial men—to “please jot down the one, two or three elements which seem to you more important in the make-up of a good salesman than any and all other elements.” The following is a summary of the replies:

	PER CENT
Knowledge of product.....	26
Hard work.....	16
Enthusiasm.....	14
Honesty.....	13
Personality.....	7
Tact.....	4
Ability to make prospect understand.....	4
Ambition.....	3
Good health.....	3
Service, persuasiveness and education.....	3

(Sales Management)

PREPARATION FOR INTERVIEWS

Teaching Men the Fundamentals of Psychology.—The sales manager has no need for putting his field men through a long textbook on psychology, but he should give them a review of the fundamental principles of psychology that come into play in selling. He may call this “the study of human nature,” “human behavior,” “mental habits,” “the instincts” or anything else that he may prefer.

The Mental Fences to Be Jumped.—In approaching prospective customers, the salesman will find himself facing three obstacles: instincts, habits, and prejudices or formed opinions. The instinct may be pride of the prospective customer—pride of his present method or possessions, or his instinct to guard his money. He is on the defensive, especially when dealing with strangers. Experience has brought this about. The keen salesman may combat instinct with instinct, by giving a frank, open explanation and by appealing to the other man’s curiosity, his desire to have his business efficient, his home equipped in the best way, his automobile give good performance, and so on.

Those who buy regularly, buy certain goods as a matter of habit and buy in a certain way or from a certain source as a matter of habit. We are dealing with a printer who gives us satisfaction or a tailor who fits us well and gives us clothes that wear well. Why should we change? It is less effort to do our buying in our habitual way, and the man who approaches us with a suggestion that we change must find a

way of upsetting the old habit. He must be ingenious enough to show where we gain by variety of purchase, by introducing competition, or by buying something with more individuality.

It will not do to indicate that the other man's habit is a foolish or unwise one, as a rule. Though his buying habit may not be the best one, such a suggestion will likely arouse antagonism.

Human minds are full of preconceived opinions and prejudices, formed often through only a partial knowledge of some subject. One may think that a certain automobile or adding machine is best, though knowing little of competitive products. The world is full of bias and narrow thinking. Only facts put fairly and thoroughly will overcome these obstacles. When demonstration is possible, teach men to use demonstration. Lead, rather than try to drive, human minds.

Such a question as, "Are you willing to learn certain facts that may be very much to your interest as an employer?" is often the proper attitude in order to gain a hearing, for it is difficult to say "No" to such a query. Likewise with "Would you be interested in learning how you can save on your packing cost, or how you can reduce claims about damaged goods by half?"

Use of Suggestion.—Every good salesman uses suggestion, whether he is aware of it or not. Instead of letting the idea of *spending* money settle in a prospective purchaser's mind, the salesman trained in the value of suggestion speaks in terms of investment, pleasure, comfort, pride, protection to family, and so forth.

The good salesman knows that objections to buying are inevitable, and that objections are often used by prospective purchasers in a combative way, when possibly they really are somewhat favorably inclined to purchase and merely offer objections to protect themselves or to see what the salesman will do with these objections. As one psychologist expresses it: "An objection is an interruption of the impulses set going by your sales talk." Therefore the objection is often a compliment. When you are making no impression, arousing no impulse to action, the prospective purchaser just gives no

deration to what you say or do. Therefore, the man is prepared to dispose of objections quietly either by showing that they are not well founded or are offset by advantages.

"You can seat only five people in this car," argues the prospective buyer who, for the moment, is thinking of the possible desirability of the seven-passenger car.

"True," replies the automobile salesman, "but we find that, with small families, the five-passenger car is far more popular. The occasions are rare when you need seats for more than five. Even at that, you can put a small chair in the rear for an extra person. Do you really want to have the weight and expense of the heavier car for the few occasions on which the extra seating capacity is needed?"

Value of Persistence.—The sales manager must impress on his new men the value of persistence, of staying quality. This does not mean that salesmen must be urged to stay around and nag prospective customers when there is no earthly chance of making a sale or when further effort would only irritate the prospective customer. But it does mean that the new salesman must learn that the prospective buyer is ordinarily on the defensive, has trained himself to resist sales talk. Most of the time, he would rather not talk with a salesman, unless he knows the salesman and likes him. Therefore, the salesman must cultivate resourcefulness and tact, must be coached to try method No. 2 when No. 1 does not work, and No. 3 when No. 2 fails.

"I don't need a thing in the world today," the retail merchant may say. "All right," the resourceful salesman may reply, "but let me tell you something that I believe you want to know. Elmer Smith, over in Belleville, sold fifty pairs of Blue Ball Rubber Boots last month and has given me an order for another fifty pairs. Do you know what that fellow did?" and so on.

A Chicago business man, telling of his early experiences as a salesman, relates how he and another salesman traveled a long way to call on the general manager of one of the largest automobile concerns. When they sent in their cards, as they were obliged to do, word came back that the general manager

was busy in a conference and could not see them that day at all. The two men started to leave. There seemed nothing else to do. Then one of the men suggested going back and sending a note to the man they wanted to see. This note, written on one of the cards, was the following:

We have traveled 500 miles to bring something to your attention that we believe you want to know. May we just tell you what this is, so you can be thinking about it between now and the time we can call again?

The general manager sent word that if the men would wait a while he would see them. The result was a much longer interview than they had dared to hope for under the circumstances, and this interview led up to a large order.

Another Example of the Value of Persistence.—A Middle Western business man, now identified with manufacturing, tells an incident of his earlier life that shows the importance of good-natured persistence. This man at that time was proprietor of a small retail store. During a very dull season when he was looking up eagerly every time he heard footsteps approaching the store door, he glanced up one afternoon—just after the train from the nearby big city had come in—only to be disappointed at seeing a salesman before him. He says that his shelves were loaded with goods that were not selling. The condition of his capital was such that he felt absolutely unwarranted in buying more stock until sales picked up. In other words, it was a gloomy state of affairs, and he lost no time in telling the salesman so. Before the salesman really had any time to get his point of contact, the storekeeper explained that he was not only not in the market but that if he were he had no money and no credit with which to buy goods. It was the sort of rebuff that discourages most salesmen and causes them to go back to the hotel and write the sales manager that “business is exceedingly quiet in Blankville.”

But this salesman had learned the value of persistence and he merely remarked in a friendly tone that he was glad to visit the merchant, anyhow, and learn about his affairs, even if he was not in the market to buy anything. There was a chance that they might do business together later. He contrived during the talk to open his grip, so that some of

his samples could be seen. The merchant, however, purposely avoided looking at anything or picking anything up.

As there was no one in the store, the salesman stayed and seemed to take an earnest interest in the merchant's business. After a while he turned to his grip again and attempted to explain something but the merchant would not be tempted to go into details of any purchase. He was so determined not to buy anything that he remarked that he would not buy gold dollars for 10 cents apiece. Nevertheless, while the salesman made no effort to sell his goods he diverted his conversation to the direct-by-mail campaign that his company had prepared as a means of selling the merchandise. Despite himself, the merchant became mildly interested in the details of this plan. He was merchant enough to know that it was sound and under ordinary conditions it should produce business.

Later in the afternoon, the salesman apparently began to make his preparations to go to the hotel for supper. He gave the merchant the familiar invitation to dine with him but the merchant declined on the ground that his wife insisted on his dining at home. His real reason was, however, that he did not want to give the salesman a chance to argue him into a purchase. The salesman left his sample case at the store, saying that he would come back in the evening for it. The town was one of those where many stores kept open evenings. He came back, smoked cigars with the storekeeper, and led the conversation around again to the mailing-list campaign that had slightly impressed the merchant in the afternoon. He managed to get the sample case open again right under the merchant's nose and before long the merchant had signed a small order, in spite of his previous determination. In telling the story afterward the merchant admits that even up to the time the goods came he was tempted to cancel the order but when the shipment arrived all the material for the mail campaign was there in good order and he could hardly help carrying out the manufacturer's instructions.

The salesman in this case was one of those who had learned from experience that he must expect lack of interest and even refusal in a great many of his calls. He recognizes that this is indicative merely of the dealer's general state of mind. He

has to turn down so many things that he gets in saying that he is not interested, that he is not in and so on. The resourceful salesman has to do as t in this incident did—tactfully direct the conversation so as to bring out the merit of what he is representing. This means the use of strategy as well as recognition of the value of persistence.

The editor of *Success* writes:

Staying power is the final test of ability. The real caliber of a man is measured by the amount of opposition that it would take to down him. The world measures a man largely by his breaking down point. Where does he give up? How much punishment can he stand? How long can he take his medicine without running up the white flag? How much resisting power is there in him? What does the man do after he has been knocked down? This is the test.

Where is *your* giving up point, *your* breaking point, *your* turning-back point? This will determine everything in your career.

Such messages as these are appropriate for the new men in the days when they are finding themselves.

Teaching Men to Overcome Fear.—Timidity is perhaps the most common of all weaknesses of salesmen and saleswomen. It may be caused by the fact that the candidate has had little experience in dealing with people or by the fact that he knows little about what he has to sell and the very newness of the job makes him lack confidence.

The cure for the first weakness is practice—taking courage in hand and going out to win. The sales manager may have to relate experiences like the following.

An office man of the East who thought he wanted to be a salesman was sent out on a Western trip to interview a prospective customer. In telling of his experience afterwards he said he enjoyed his trip, but that whenever he began to think hard about the errand before him, he began to imagine the difficulties. He had will-power, though, and every time these difficulties mounted in his mind, he went over his arguments and found himself the winner. He confesses:

I am sure I should have been greatly relieved if I had found my man out of town, so big did the task loom up before me. When I got through

my breakfast, after arriving in his town, and went out to the plant of my prospective buyer, I certainly had one bad case of cold feet. Actually, I walked around the block twice before I could summon my faltering courage and present my card at the information desk. Yet, when I got in before my man and saw that he was a human being just like the rest of us, had his peculiarities, of course, but in the main a fair man and ready to listen to any suggestion for the betterment of his business, I got over this stage fright. My enthusiasm came to my aid. I forgot all about my fears, pitched right into an enthusiastic description of our service and was not long in concluding a contract. In fact, I didn't have to use any of the closing stunts some of the salesmen tell about.

That experience put me at ease. I saw right away that though I might here and there strike a hard snag, the world averages up pretty well and that a man can afford to just count out the unfortunate experiences. Nobody is going to hurt him or throw him out if he behaves like a gentleman. All he can ever meet is a little discourtesy and that is the other man's weakness—not the salesman's. He can afford to smile and forget all that, just possess his soul with philosophy and a little sense of humor. When I keep myself under control and do my best, I know I am a bigger man than the occasional boor who loses his temper or patience and who is sorry for it five minutes afterwards.

This man developed into the quiet, confident, gentlemanly type of salesman who holds his customers year after year and whose suggestions and recommendations always command respect.

Full and enthusiastic knowledge of service or product cures the second weakness mentioned. That is why so many concerns insist on a course of training, or have new salesmen go out with experienced men. Confident knowledge accounts for the success of many men of engineering training when they go out to sell a product requiring engineering knowledge. While they may, at the outset, lack some of the finish of the experienced salesmen, their knowledge gives them confidence and they soon pick up the other essentials.

The following paragraphs embody a good thought for a sales manager's letter or bulletin on the subject of conquering fear:

If You Don't Believe in Yourself, Who Will?

It matters not whether you are a disciple of Coué, Marden or Frank Crane, you must hold a good opinion of yourself and go out with faith in yourself, or you are doomed to failure.

Of course, we are not talking about the tiresome or disgusting egotist who thinks he sets the pace of the whole world.

But the world is inclined to take a man at his face value. If he looks like a winner, talks like a winner, he believes him to be a winner, unless he shows himself otherwise.

You may have failed a number of times. Never mind. Everybody has done that. You may have lost courage at times. Don't let anybody make you think that was fatal. The failure is not the man who momentarily lost his courage, but the fellow who got into the depths and was baby enough to stay there and whine for sympathy.

Believe this:

Every real man gets valuable lessons from every slip, from every lapse of courage. He has learned that he can come back and come back stronger. One of the greatest of salesmen says that every time he does not come back with the bacon, he sits down quietly and says "Now what can I learn from that experience?" And his batting average climbs steadily.

So enrich yourself from your experiences. Carry your head up. When you feel a little out of sorts, take some exercise and a good bath. Get a haircut and a shave. Put on your best clothes, from the skin out. Then tell yourself: "I am a real man. I respect myself and am proud of my ability. I will command the respect, the attention, the patronage and good-will of the men I deal with."

And you will. The law of averages proves it.

Pointers from an Instructor in Public Speaking.—Salesmanship is not public speaking and yet often the salesman can profit by instruction in public speaking. Many salesmen join classes in public speaking as a means of improving their poise, their gestures, their reasoning and their general bearing. The term "public speaking" does not necessarily mean the delivery of a talk from a platform. It may mean a canvass before a buying committee or a board of directors or a talk before a similar group. The following summary, reproduced by permission from the Standard Manual of Instruction used by the United Y.M.C.A. Schools in a public speaking course, gives some of the most common faults of delivery and at the same time suggests methods of improvement. This list of questions is a review that either the instructor or members of the class apply to a practice-speech.

A. Delivery:

1. Did the speaker's talk sag and drag? Did he say "uh," "and uh," "the uh?"
2. Did he speak fluently?
3. Did he open his mouth and use enough force so that he could be heard in the rear of a large hall?
4. Did his voice and manner indicate a lack of interest in what he was saying?
5. Did he speak some words and sentences fast and others slowly, as one naturally does in conversation?
6. Did he hold himself in or did he warm up and let himself go?
7. Did he speak directly to his hearers or did he talk into the air, as if talking to himself?
8. Did he pause before or after his big points?
9. Did he hit his big words and ideas hard?
10. Did he speak in a high monotonous pitch?
11. Was his voice hard and metallic or did it have feeling and heart?
12. Is he gaining self-confidence?
13. Did he show an improvement in his speaking?
14. Did he put his talk across?

B. Gesture and Platform Presence:

1. Did he use gestures? Did they help?
2. Did he drive his big points home with emphatic gestures?
3. Were his gestures monotonous or varied?
4. Were they lifeless or animated?
5. Were they too short and jerky?
6. Did he hold one hand behind his back while gesturing with the other?
7. Did he make little nervous movements at the start? Did he step around nervously? Button or unbutton his coat? Pull down his cuffs? Or did he walk out, stand still, and begin to talk?
8. Was the speaker well-dressed, and did he carry himself with an air of assurance?
9. Were papers, pencils, or fountain pens peeping out of his pockets?
10. Did he slouch down carelessly with his weight on one foot, or did he stand erect with the back of his neck against his collar? Was his weight equally divided between his two feet?
11. Did he hide behind furniture?
12. Did he look at the floor or at his audience?
13. Was there a far-away look in his eyes as if he were trying to recall what he was going to say, or did he look straight at his hearers and talk to them directly?
14. Was his face expressive?

15. Did he have poise?

C. Pronunciation:

1. Did he mispronounce any words?
2. Did he make such slovenly errors as "ketch," "wuz," "uv," "git," "gettin'," "uhfraid," "buhgin," "victum?"

D. Enunciation:

1. Did he speak distinctly?
2. Did he slur over any syllables, like "gen'l'mun" or "histree?"

E. Diction:

1. Did he use words accurately? Did he make such errors as saying "allow" when he meant "permit?"
2. Did he make grammatical errors?
3. Were his sentences stiff and mechanical or human and conversational?
4. Were his sentences too long?
5. Did he get your attention at once? Did he plunge directly into his subject?
6. Did he finish sharply and strongly?
7. Was his talk clear? Was his talk impressive?
8. If he appealed for action, did he do it well?
9. Did he use suggestions wisely?
10. Was his talk logical and well planned?
11. Did he concentrate on a few things or did he try to cover too much ground?
12. Did he stick to his subject?
13. Was he well prepared? Did he really have anything to say?

DEALING WITH DIFFERENT TYPES OF SALESMEN

J. W. Hamilton, Sales Manager of Finch, Van Slyck & McConville, has made some observations on the development of different types of salesmen. In an article in *Sales Management*, Mr. Hamilton says that the following methods may be used advantageously in correcting certain faults. Only a brief summary of his suggestion is given.

The Salesman Who Is Antagonistic toward a Credit Department.—He may be asked if he would like to see the credit department entirely abolished, so that he will have no more trouble with it. No sensible salesman would want that done. The credit department can send out to such a man some records of the last year or two showing cases where doubtful orders were not shipped and the firm failed soon thereafter. The sales manager can point out to such a salesman that there

must be certain limits and rules about credit or the business would soon be in bankruptcy. Much of a salesman's unwillingness to cooperate with a credit department is based on a too limited knowledge of the actual workings of the credit department and its real service to the firm.

Handling the Touchy Salesman.—Sometimes the best method of dealing with the touchy salesman is to illustrate by contrasting the case of the man who can take criticism and profit by it with the case of the man who becomes all upset and can never profit by friendly criticism.

Dealing with the Old Timer.—This type may be reached by appealing to his pride, urging him not to permit the younger men to make a back number out of him. He is also receptive to the appeal that additional money earned by the adopting of new methods will enable him to make better provision for his family. He will probably respond, if he is asked frankly, whether he is so much in a rut that he cannot possibly make use of new methods.

The "Know-it-all" Salesman.—Sometimes the best rebuke to the over-confident type is to send a telegram collect and ask for an explanation by wire. Such a salesman is likely to bluster and defend his position, but when brought up sharply will take his lesson.

Awakening the Self-satisfied Saleman.—The self-satisfied salesman, if his general average of sales is fair, is likely to base his argument on his general average and ignore entirely that he may be neglecting some important department of the business or some very important division of the sales work. The remedy may be an analyzed statement of his work, letting him see just what he has neglected and then putting up to him the fact that being entirely loyal to the work as a whole demands that he should give full support to every part of it.

The Impracticable Salesman.—A national sales manager gives his experience in dealing with a salesman of fair record, whose expenses were about equal to his income and who sometimes drew his pay in advance. The sales manager finally called him in for a heart-to-heart talk and pointed out how other men who really earned less owned their own homes and had money in bank. The sales manager succeeded in per-

suading this man that a fine thing for him would be to buy something that he had to pay for on the instalment plan. Accordingly, he made it possible for this man to secure a small block of company stock and permitted him to pay for it in monthly payments. The plan worked and the incentive proved to be just what the man needed to regulate his income more judiciously.

Reforming the Man Who Skips Calls.—Still another sales manager tells of an adventure in reforming a salesman who appeared very busy but who in reality had a low total of calls for the month. He wasted an unusually large amount of time without apparently being aware of it. His manager adopted the plan of sending him every week a report of the calls made by every salesman in the organization. The record was such an indictment of time-wasting methods of the salesman in question that he saw to it that he planned his time to better advantage. He evidently was not aware of how little he was accomplishing until the cold figures gave him the comparison of his efforts with those of the other men.

The Salesman Who Always Finds It Hard to Get Orders.—An employer of a salesman who was eternally complaining of the difficulty of getting business decided to cure this state of mind by having a keen research worker find out how much business competitive organizations were getting in the same territory. A few reports of this kind made the salesman see that much of his difficulty was imaginary.

Spurring the Man Who Is Ready to Quit.—A man who claimed he could sell anything, that he never failed, applied for a job. He was then selling an automobile specialty. He was put to work with a group of salesmen who were colonizing lands in northern Wisconsin. He did not make a single sale in a whole month and went to the manager's office to announce that he was "through," that he could not make a success of the job. So expressing himself, he flung his lead cards and other routine records on the desk.

The manager determined to put the quitter to the test: "Oh, you're one of those fellows with a yellow streak, are you? You let us spend a month training you, and then you fizzle out like this!" The salesman was furious. "Nobody ever called

me yellow before, and you can't start now!" "Well, if you're not yellow, you are a plain, ordinary liar. When you came here you said you never failed, that you could sell anything."

Goaded to the very quick, the salesman shouted: "I can sell anything, I can sell your stuff. I'll show you!" And he gathered up the scattered cards. Within a week he made a sale. And he turned out to be a productive salesman.

"Daily Dozen" Idea.—Salesmen as a rule like novelty and timeliness. Anything that a sales manager can do to hitch up his ideas aptly with some current event will usually be received with more or less enthusiasm. An illustration of this thought is found in the action of Procter & Gamble, manufacturers of Ivory Soap, who made up for their salesmen a series of bulletins based on the "daily dozen" exercise scheme which has been so largely exploited during the last year or so.

The following is the list of twelve points regarded by Procter & Gamble as the important "daily dozen" things for a salesman to remember:

1. The making of my success is in my hands. It is not in the hands of my customers, my manager or my product.

2. I have an equipment for selling goods second to none. Back of me is an organization without equal, offering a line which fills every need for soap and cooking fats in the household, and I can lay before the buyer an all-around value that my competitors cannot give him.

3. My company is the leader of its class, recognized as such by dealer, by household consumer and by the business world. Consistent advertising is keeping the name of our organization and its products before the buying public, and in this way making my work easier. No competitor backs up its salesmen with advertising more efficiently than does our company.

4. My line represents the result of years of experience in making soap and cooking fats. Into its excellence is built the brains of a staff of manufacturing specialists second to none in our kind of business. The products I sell are made of such materials and in such sizes and packages as will sell readily and will repeat consistently with the largest number of buyers. No competitor's salesmen can offer a dealer as complete a line of standard brands with as steady a demand.

5. Honest value for every penny is in the products I sell. A fair-minded, careful buyer cannot help recognizing that value, provided I call attention to it properly. My failure to do so can be due only to lack of enthusiasm on my part, or lack of careful study of my selling points. My products are right.

6. Lest my work become mechanical, I should never enter a store or office for the purpose of selling goods without mentally taking myself in hand, to be sure that I know what I am to do. No interview should be considered a mere "call." My business is to sell goods.

7. I should constantly keep in mind that the only reason why my company and our products really interest my prospect is not because of what my company and my products mean to me, but because of what they can do for my customers. This thought should be a part of my selling talk from the moment I open my sample case until I leave my customer sold.

8. I must realize that if I receive the same answer in the course of two interviews, it is myself, not the buyer, who is in a rut. The cure rests with me. I can refresh the vigor of my interviews by learning to adapt the experiences of other salesmen to my work. This demands study—the secret of my real accomplishment.

9. My first thought at the close of each unsuccessful interview should not be, "Why didn't he buy?" but "Why couldn't I sell him?" By regularly checking up my own work I can bolster my weak spots and learn to select and use my strongest arguments to the best advantage.

10. Remembering that every large business success is started in a small way and can never continue without good-will, I should see to it that no customer ever seems too small for my courteous attention, nor any complaint too trivial for my careful investigation.

11. The organization I represent has won the respect of the business world and the loyal patronage of consumers by reason of honest values and square dealings. The position our company holds is such that I, a representative of such an organization, should feel no buyer so large, or his position so great, that I cannot approach him feeling fully his equal.

12. The principles and ideals of the company I represent are the principles and ideals which build better men, as well as better business. They are the only sort of ideals upon which a true personal success can be founded. They are worth fighting for.

WEAK SPOTS COMMON IN SALES ORGANIZATIONS

No matter what the type of business may be, human nature is human nature, and there are certain weak spots so characteristic of sales organizations that they can be described in a convention of sales managers and more than three-fourths of the men present will identify them as problems in their own companies.

Reluctance to Do Missionary Work.—The new employe, unless he happens to have previously sold goods of a character similar to those produced by his new employer, is usually

ready, even eager, to go out in the by-paths to cultivate all possible sources of business. Being unfamiliar with the business, he is not averse to a little adventure and may even delight in turning up orders in places neglected by older or more experienced men. Unfortunately, this tendency often slowly but steadily decreases as a man becomes more experienced in a business. The salesman builds up a fair business among consumers direct, or he acquires what seems to be a satisfactory list of dealers, and, unconsciously perhaps, he becomes satisfied to work in this circle. It is said that the real test of an insurance man comes when he has done about all the business he can do with friends and acquaintances. Nothing that is here written as a criticism of a common fault of salesmen should be construed as a condemnation of the practice of broadening out sales through acquired dealers or old customers. That method, as a matter of fact, is often a most satisfactory way of increasing sales: but, on the other hand, it is often a restricted method. The salesman who is calling on and talking only to friends and acquaintances loses something of his vigor and resourcefulness. His talk simmers down to business gossip, social chatter, politics and general news. No longer does he have to sharpen his wits and convince some one who has never heard of his company's product or knows little of it. He has a "milk route" with only old customers on it, no constant inflow of new business to more than make up for any old customer who may drop out.

This familiar situation accounts for the requirement of many concerns that their men shall make a certain number of calls on new prospective customers in every working period. Some compensation plans are arranged accordingly. In one organization, a "Missionary Week" was planned, during which time the salesmen were expected to call entirely on prospective customers.

One salesman, on being coached by his manager to let up occasionally on his regular trade and do missionary work, argued that his constant attention to old customers was essential. He was reminded by the sales manager that during vacation time, and also during a three-weeks' illness, business from those regular customers came anyhow.

Sometimes the cure for the situation, when the salesman cannot see it, is to put a new man into the old salesman's territory, instruct him not to make calls on the old customers but to devote himself entirely to prospective purchasers in the by-ways that are being neglected.

A point that should never be overlooked is that the by-ways-business is usually also neglected by competitive salesmen and the "missionary salesman" is not, therefore, so harrassed by severe competition as he is along the main high-ways of trade.

Slip-shod Scheduling of Work.—Every man knows, from his own experience, how a day can be spoiled by frittering—by a poor start, a few aimless hours or a curtailed afternoon. Those who work by some quota arrangement know how a little neglect during the first week or the first two weeks of the month makes it almost impossible to attain the standard for the month.

Salesmanship is not a work in which every hour can be scheduled as it can be with the busy dentist who works by appointments. There are instances, too, where salesmen actually waste time by giving too much attention to systems, schedules and records that require excessive clerical work.

But orderly planning of the work for every day, every week and every month not only trains the salesman to use his time better but also actually brings a greater degree of concentration on the various tasks. The man who has definitely planned to make a call on a given day of a given week will, from the very fact that this job has been definitely planned, have ideas occur to him that will help in his errand when he comes to it.

Slip-shod scheduling, useless work, duplicated journeys and the use of the telephone at the end of a day to save the trouble of a call—all these shortcomings may be sufficient to produce a poor record from a man who, with some coaching as to definite undertakings for every day, could maintain a high average.

When a sales manager concludes that a man needs checking up in order to be sure that he does justice to himself and the job, he may require him to make out a schedule of his

daily or weekly work. Or he may make this schedule out for him and notify buyers or prospective buyers of the salesman's expected calls. If the firm sells a variety of goods, an announcement of some special nature may be sent out to the salesman's list and the salesman informed that he is expected to follow up each of these announcements.

More calls a day does not always mean more sales, but, in general, the slogan of "he makes the most sales who exposes himself to sales the oftenest" holds good. The "day-shorteners" may be made to see their shortcomings by a record showing the number of calls made by each salesman every day and every week.

A sales manager who experimented with the plan of handing his men a daily handful of cards—each card representing a call—found that at least double the amount of work was performed on the average. Study of various enterprises in which salesmen are in the habit of calling from five to eight times on a prospective purchaser indicates that thorough methods would enable the sale to be made in from two to three calls. Such a saving, or even half of it, represents a large amount of money.

Salesmen in many lines of selling need to learn the lesson that a call often paves the way well for the next competitor that comes along—that promises to do business some time later do not usually mean that a sale is forthcoming but just indicate the prospective buyer's customary fencing, even when he may have a real interest in the product the salesman is selling. The man who contents himself with incomplete work need not be surprised to come back later and find that the purchaser has made other plans.

Half-way Selling.—Half-way selling is of various kinds. A consumer may be persuaded to buy a tool or a machine without its use having been properly explained. That particular sale may be made, but if the use of the article proves unsatisfactory, the future good-will of that customer, and possibly of his friends, may be lost. Good selling calls for the satisfaction of the customer and his subsequent good-will, in order that every article may make it easier for others to be sold. Herein lies a source of encouragement for the man of thorough

methods who is selling a reliable product. Every month his work is laying a foundation for future business.

Half-way selling in the case of goods left on trial means more returns. The man who has had an article in his office or at his house and decided to return it is a very difficult person to handle on a second attempt to sell. As is pointed out in another Section of this volume, the keen salesman uses the approval plan for what it is worth but does not rely on the buyer's temporary possession of the article to do his selling work for him.

The neglect to make clear to the customer what the credit terms are, what discounts may be earned, when instalments must be paid, and so on, are other varieties of half-way selling. Any misunderstanding on the part of the customer mars the perfect relation that accompanies a perfect sale.

Another common variety of half-way selling is that of getting an order from a retail dealer but making little or no effort to aid the dealer in carrying out plans that make for the sale of the goods to the consumer. Some firms get around this by requiring the salesman to answer definite questions in his reports of sales: "Did you install one of our counter-displays in a favorable position?" "Did you arrange for the window-display?" "Have you forwarded the mailing-list of fifty names of the dealer's customers?" and so on. Many salesmen dislike attending to such details and will habitually neglect them unless some system is adopted that checks up their activities. The salesman often grows tired of talking about many of the details of his work, the selling points of the goods, perhaps—which may have grown stale to him, because so often repeated—and he is tempted to think that after all the merchant to whom he sells knows his own business better than the salesman and will naturally attend to all such matters as displays, proper advertising, and the like. But most retail dealers have so much brought to their attention in connection with new goods that they are inclined to do principally those things on which they receive clearest explanations or demonstrations or the most practical assistance.

The modern salesman must be trained to look on each of his missions as if it were a complete advertisement, designed

to do everything from interesting the reader down to impelling him to act. If an advertisement that is designed to make a complete sale lacks the final essential and does not induce an order, all the interest that it created may count for nothing. Just so, all the interest that may have been created in a retail merchant may amount to little or nothing if the product remains in the rear of the room and the advertising matter unwrapped under a counter.

Even such a thing as a carelessly filled order blank, failing, for example, to indicate the form of payment agreed to (often there are several proposals as to payment, one of which is to be checked unmistakably) may render a contract unenforceable. This results in delay if not in actual loss of an order.

Incomplete and Slovenly Reports, Indefinite Information.—The salesman's report that is neatly written, with proper names spelled correctly and full addresses given, and with essential information set down definitely, is a joy to sales departments.

Some salesmen's reports are notoriously bad—almost indecipherable, mistakes in names, figures and addresses, essential information lacking. Sometimes it seems that salesmen are more intent on reporting weather conditions and the fault that buyers find with the product and prices asked than on giving the information a report form has been specifically designed to draw out.

The remedy may be that of submitting to the field staff an occasional salesman's report which is regarded as a model and showing just what kind of cooperation such a report encourages from the home office.

In the weekly or monthly letter, a summary may be made showing how the different men or different districts handled one or two items that are regularly called for on reports. Such comparative showings may spur offenders to better performances.

The vice president of a large St. Louis firm, on one occasion, made many members of the sales force ashamed of their negligence by sending each man and his division manager a weekly list of all irregularities in reports. As a result about three-fourths of the shortcomings were cured.

General Time-wasting.—The old order of salesmanship may not have passed altogether. Personal relationship still counts and sometimes important sales are made after a great deal of talk by the salesman about other things. But the pace of business and of living generally has increased rapidly, and many buyers feel today that they actually lack time to do a great deal of talking about non-essential matters, no matter how charming the personality of their salesmen-visitors may be. Such buyers may not always show it but they have little patience with the man who walks in with studied leisureliness and some such remark as "I just came in to say 'Hello' and to have a chat about things in general." In a great many cases it is better to get at the subject with a simple, courteous opening and to omit some of the usual type of gossip after-conversation, unless the salesman can be certain that after he has left there is not a growl from the customer or prospective customer about "the awful amount of time some of these salesmen take up."

It is perfectly true that some sales are lost by the salesman's effort to get the order by means of a letter or a telephone call. On the other hand, a great many unnecessary calls are made, calls that merely consume time that other people sorely need in order to carry on their own enterprises properly. Consequently, the salesman of today has need of keen judgment in deciding when to make calls and how to make them count for most.

Too Much Deference to Views of Customers.—Every sales department desires, of course, to get light as to the attitude of the consumer and the trade, if it sells through merchants, but there is a common disposition on the part of the salesmen as they knit their relations closer and closer to customers to look at company regulations and policies entirely too much from the customer's point of view. It is by no means rare to have the salesman condemn a new policy altogether, just because one or two customers with whom he is on good terms do not like it. This tendency grows to such marked degrees sometimes that it seems to the firm that the salesman is representing customers rather than the firm that pays him his salary.

While it is a good principle of salesmanship to earn and retain the customer's good-will and to work in his behalf to a reasonable extent, this tendency can be carried too far, especially when the salesman allows his views to be molded by the opinions of a few men rather than the majority. The sales manager should caution his men to keep in mind that the exceptional views do not always represent the real attitude of customers. He can, if he will, cite many instances of where even the majority-view among dealers and consumers did not represent the wisest course. In the case of the Holeproof Hosiery, for example, a majority of the dealers consulted indicated that it would be a mistake to drop the guarantee feature. The truth was that the men expressing these opinions had not gone into the subject far enough for their views to be a safe guide.

ARGUMENT FOR AND AGAINST THE STANDARDIZED SALES TALK

The argument for the standardized sales talk is that it at least gives the salesman a definite program. Furthermore, it covers the essential selling points of the article or service he has to sell. It is a foundation on which he can work—something to which he can always return if sidetracked. Particularly in the case of new salesman is it valuable and many organizations have certain sales talks or demonstrations that they insist must be either memorized by their new workers or practised until each detail is at the fingers' ends. The standardized sales talk undoubtedly fits some businesses well. Book publishers and producers of mechanical devices have used it to advantage.

The argument against the standardized talk is that it is too inflexible and cannot be readily fitted to changing conditions. Another point against it is that a memorized sales talk does not sound sincere, is lacking in spontaneity and enthusiasm. One manager says:

As a rule, the salesman who approaches his prospect in a natural manner and who depends on his wits to adjust his methods to suit conditions as they arise will put it all over his brother who uses a stand-

ardized approach, a set demonstration and a memorized selling talk. The trouble with the salesman who is trained to conduct a standardized sale is that too frequently he encounters a situation where he is not able to pull his puppets. He is not prepared to meet the emergency. The prospective customer is never where you want him. At one call he is on top of a ladder cleaning the windows and he won't come down to accept your standardized handshake. At another place he is in the basement and it is necessary to talk to him through a coal hole. He is not able to see your standardized gestures. The next call is at a convent and you have to talk to the Mother Superior through a barred window. There is no chance for that demonstration which is an integral part of your procedure.

Probably it is safe to say that in most sales organizations sales managers are trying to make the best use of the standardized sales procedure as well as of the original argument and methods of the individual salesman. The great difficulty of the sales manager is that he cannot get enough men who are resourceful and versatile enough to work out their own effective plans. Therefore, he is justified in adopting the safer plan of having certain arguments or demonstrations standardized, or at least made so familiar to his staff that they can offer the arguments and give the demonstrations with reasonable fidelity. Then, when the salesman has demonstrated his ability to depart from the standardized procedure and improve his work, the sales manager is more than glad to give him that liberty.

(Summarized in part from *Printers' Ink Monthly*)

Trade Paper Editor Emphasizes Importance of Repetition of Leading Arguments.—No experienced sales manager would likely argue that under all circumstances a salesman should stick closely to a so-called standardized canvass. What might be true in a case where a salesman is calling on new customers continually and rarely repeating his calls, would be subject to modification in most cases where the salesman is making regular calls on some list of customers or prospective customers.

Nevertheless, in salesmanship as in advertising, there are sometimes strong leading arguments in favor of a product that

should be advanced again and again. The salesman is inclined to grow weary of these arguments because he deals with them so often, and he may make the mistake of fancying that the information is stale or boring to his customer, often forgetting that his solicitation is only one of hundreds that may be poured into the prospective buyer's ears month after month.

With the thought in mind that many salesmen err in getting too far away from their leading points, the editor of *Building Materials* recently published the following editorial, entitled "Actors and Salesmen."

Three years ago we saw a great actor in a great play, says *Upper Cuts*, house organ of Thompson Yards, Inc. The other day we saw the same play over again in a different city. In it was the same actor.

The play was unchanged. The situations were the same. Not a word was different.

And yet it was even more enjoyable and dramatic than it was the first time that we had heard it so many months before.

The following day a salesman called on us selling the same thing that he had been selling a few months before when we had been greatly interested in what he had to say, but being unable to buy at that time, we had requested a later call.

This time, however, we failed to get a single kick out of anything that was said.

No doubt the product was the same but the selling talk was not.

The salesman had grown tired of his first sales argument and had kept changing it around until it was as worthless as if it had been spoken in a language that we could not understand.

This might have been less tiresome to the salesman but it certainly was very tiresome to the prospect.

While patiently waiting for him to get through and get out, we kept thinking of the actor who had been saying the same lines at eight separate performances each week for three years and made them sound just as well the thousandth time as they did the tenth.

Each performance improved slightly over the preceding one.

It is said that the good actor tries to make each and every performance his best.

A salesman should do the same thing.

When a certain sales talk will get the business, it is foolish to discard it for one that the salesman prefers to hear himself repeat.

There is a whole lot of bunk about the salesman who is able to beard the buyer in his den, take in the situation at a glance and then with lightning-like rapidity select the sales talk for the situation by pulling out of his

mental pigeon-hole Talk No. 11, which has been constructed to fit a blond buyer, six feet in height who has a desk facing north.

A sales talk is a sane presentation of simple facts that will tell Mr. Buyer the salient things that he should know about the article that is being sold and how it can be made profitable to the firm's use. How infrequently do we hear such talks.

They are few and far between.

Instead, we find salesmen stumbling about, groping for a clue on which to hang an argument prepared to meet a situation that is largely imaginary to begin with.

If a salesman developed a real honest-to-goodness sales argument and then stuck to it he would be a thousand times better off than he is when he tries to spring something new every few days.

If he could do as the good actor does, he would try to put more earnestness into the talk each time that he goes through it. He would try to improve on the presentation each time that he had an opportunity to do so.

If he did this, he would soon make a great reputation as a salesman and a great hit as a family provider.

It would also make life much sweeter for the buyers.

Salesman versus Solicitor. Appropriate Bulletin Material.—The following material, published originally by the *Electrical World*, and written by Warren R. Voorhis, of the American Water Works & Electric Company, is an example of material that is pertinent and pungent and is no less truly educational because of its popular style. It is offered here as a good example of the kind of material that can be used in making up bulletins or general letters to a sales organization.

In reading views such as those of Mr. Voorhis, it should be kept in mind that writers in their enthusiasm over some point often go a little too far. For example, it is not likely that Mr. Voorhis condemns altogether the method of having an explanation or canvass that is committed to memory. While such procedure is inadvisable in some cases, the truth is that many salesmen with a poor canvass would profit by committing a good canvass to memory and then departing from it as they may see fit. Likewise, the plan of finding a way of agreeing with the prospective buyer is frequently good strategy, though it is true, as Mr. Voorhis points out, that if a man does invariably agree with the prospective purchaser on everything and lacks courage to speak his own mind when

he honestly differs, he will be rated as a spineless specimen of manhood and fail to command respect.

THE SOLICITOR AND THE SALESMAN

A solicitor is a person who asks other people to buy goods.

A salesman is one who sells goods.

Solicitors are as the sands of the sea for numbers, and landlords put up signs against their intrusion.

But they who have articles for sale will scour the seven seas on the bare chance of finding a salesman.

For the visit of a solicitor is a sore affliction.

But a salesman is as welcome as a breath of spring at the end of a hard winter.

When a solicitor calls upon me with an article that I do not want, a wave of the hand, or, at the very worst, the jog of an elbow, will dispose of the matter.

When a solicitor calls upon me with an article that I have sometimes thought I wanted, the encounter takes more time, but, by bringing up reserves, I usually rout him.

But on the day when I am lucky enough to receive a salesman, all my defenses crumble, even before we have finished our consideration of the weather; I am as clay in the hand of the potter, yea, even as green grass before the sickle.

THE SALESMAN'S APPEARANCE

A salesman, being about to "sell" himself, takes thought about his appearance.

No personal property ever pays higher dividends to the salesman than a clothes-brush, a shoe-brush and a safety razor.

In these days, ready-to-wear clothing is as good as any—as the magazine pictures testify—and apparel of moderate price is better than expensive display. Indeed, I should think a public utility stock salesman, expecting to find his customers among sober, thrifty people, would do well to dress soberly and quietly, but with cleanliness and neatness everywhere apparent.

Long hair is a profession in itself and amateurs should not attempt it. Be fair to the barber.

Remember that a white collar is right out on the firing line; in the area of very high visibility it can stand a limited amount of exposure only. When you consider your collar in the gray morning light, settle all doubts by deciding on a fresh one.

I have heard that when a salesman is clean and trim and well brushed and well turned generally, this has its effect on the salesman, giving him assurance, confidence and self-respect and makes him more dangerous and deadly in attack.

I know nothing of this, for I consider a salesman from the viewpoint of the buyer.

When a man who has evidently taken thought of his personal appearance calls on me, I am complimented and at once straighten my own tie and try to polish my shoe on my trouser leg.

A salesman seems to think it helpful to make a good impression to begin with. I suppose this is the reason that he is careful about his appearance.

THE SALESMAN'S SPEECH

I have noticed that a salesman is rather careful to use good, plain, serviceable language. He appears to have no rooted dislike for the common rules of grammar.

He avoids extravagant and irresponsible statements. There is a world of difference between a slick-tongued solicitor and an enthusiastic salesman.

A salesman believes that the slang of the street belongs in the street and that it is not an essential part of a business interview.

I have had solicitors swear a little and tell me a story in order to put me at ease and to make me feel that we were both perfectly at home.

A salesman seems to assume that his interview with me is in the nature of a business engagement and that his time has some value. A very high-grade salesman will even assume that my time is of some possible value to me.

I should think that a public utility stock salesman, whose business it is to induce people to save their money and to invest it wisely, would do well to cultivate the habit of using plain, direct speech.

THE SALESMAN CHOOSES THE OCCASION

Salesmen have always taken an unfair advantage of me. If I could encounter a salesman before I have had a cup of coffee in the morning, or on the day I pay my taxes, or when I have just lost a lawsuit, or when I have a cold in my head, I believe I would have a sporting chance against even the best of them.

But a salesman awaits occasions; nay, more, and worse, a salesman makes occasions.

He seems to think that a good appearance, good language and address is all lost on a poor opportunity.

All times and seasons are alike to the solicitor. He regards neither time, place nor circumstance. Solicitors rush in where salesmen fear to tread.

A salesman awaits that rare combination—the man, the hour and the place—but not long. If nothing happens, he makes it happen.

All salesmen must read and believe that saying of Napoleon that he won battles because he always chose the time and the place.

I reject the theory that salesmen are always cheerful and smiling and happy people—although I never saw one any other way. Upon reflec-

tion, I am of the opinion that when a salesman is blue or downcast or has any kind of a misery, he simply holds up and waits for his sky to clear.

I believe if I could meet a salesman when he is down in the mouth, I could win out against him, but I have never had the opportunity.

A salesman seems to consider his friendly smile, his air of genuine, hearty, prosperous good feeling an important element of a business transaction.

All my life it has been hard for me to dislike or resist cheerful, friendly, hearty people.

A salesman braces me up. He makes me wonder whether it would pay *me* to smile and be happy in *my* business.

THE SALESMAN HAS OPINIONS

A solicitor always agrees with me. I have yet to meet a solicitor whose views on religion, politics, morals or the weather did not agree precisely with my own.

This is either a remarkable coincidence or else these solicitors have believed that I would be angered and repelled by their slightest expression of independent or original thought.

I state it as a fact that salesmen undoubtedly have views about general topics, for in my own office many times I have held conversation with salesmen and taken much profit therefrom.

I think it very likely that salesmen read newspapers and books and observe a good deal, for the very purpose of being generally alert and well informed.

I am afraid there is a disposition to look down on a solicitor, but you try hard to live up to a salesman.

Of all men I believe solicitors have the best memories.

Somebody must teach solicitors all that they shall say and do from the "Good morning, Mr. Jones," to "Good afternoon" or "Good night," depending on the length of the engagement.

They recite beautifully, and I love to hear it, for it always takes me back to my boyhood, when I used to render "The Wreck of the Hesperus" on Friday afternoon at school.

It is really quite an effort to memorize an hour's talk and say it without leaving out a comma, or hardly stopping to take breath, and I always try to be careful not to ask any question or say anything to a solicitor which might throw him off the track.

THE SALESMAN KNOWS HIS SUBJECT

But there is one thing that I do know for certain and here bear testimony to:

A salesman really does know all he can find out about his subject, whether it is brooms or bonds.

In my earlier years, hoping to confound the salesmen, I have at times asked questions. I thought more highly of myself than I should, for a

salesman merely uses a question as a text for a new and stronger argument. A salesman welcomes an interruption.

I am sure that a public utilities stock salesman will want to know all about financing of public utilities as a modern business problem.

He will be interested and will interest other people in the fact that public utilities do not have periods of sharp expansion and depression in earnings, but that they earn moderately yet steadily.

The salesman of stock securities will never fail to keep in mind that his business is with people who are vitally concerned in the safe investment of their money. He is not selling articles of trifling value for immediate consumption, but he is endeavoring to interest people in that most vital of all subjects—the investment of hard-earned money.

THE SALESMAN HAS ENTHUSIASM

I have mentioned some of the characteristics of the salesmen I have known, but so far I have omitted perhaps the most important. Of course I mean enthusiasm.

I am always attracted by the appearance, speech, tact and knowledge of a real salesman, but I believe that it has been the enthusiasm of the salesman which has convinced and captured me.

I wish I could define enthusiasm. It seems to be some strong, inward, mental force which gives life, fire and vigor to all other qualities. It is imagination; it is personality. It does not seem to come out of books, nor is it taught in the schools. It is easier to describe its absence than its presence.

After a salesman leaves me I usually permit myself a few moments for reflection. I consider that nearly everything of good that has come to this world has arrived as a result of salesmanship.

It has been the knowledge, power, energy and enthusiasm—always the enthusiasm—of the salesman that has forced the world to adopt new courses for its improvement.

THREE GREAT SALESMEN

William Pitt was a great salesman; he sold the idea of the British Empire to Little England. And Benjamin Franklin was a very great salesman indeed; he sold the idea of a successful American commonwealth to France at a time when its success could not be seen, except by its closest friends. Daniel Webster was a remarkable salesman who devoted his whole life and genius to the delivery to this country of one idea—its unity and indivisibility.

This is all I set out to say about salesmen and salesmanship.

Except that I want salesmen to keep on coming to see me.

When the time comes that a salesman can no longer interest me, instruct me, fill me with enthusiasm and sell to me, I will know that I am, in fact, stone dead, even though continuing to walk abroad as one in life.

House Organ as a Means of Developing.—The well prepared house magazine may be made a real factor in the informing, developing and inspiring of salesmen or sales agents. Such a medium is not as personal as the individual letter, nor can it be issued so quickly, as a rule, as the bulletin, circular or general letter. It does not take the place of any of these other methods, but has a somewhat broader scope. It can carry legibly information that would look bulky and hard to read in a mimeographed or multigraphed document.

House organs are often regarded as a part of the advertising department's work, but this is usually the case where the purpose of the publication is to inform consumers or dealers. When the aim is to instruct and develop those who are to do the selling work of an organization, the responsibility obviously lies with the sales manager. A large sales department will usually have one man whose particular duty is that of maintaining a high standard for the house magazine.

In the retail salesmanship field, the house organ is more frequently called the "store paper" and is sometimes conducted by the employes' association, so as to throw the responsibility for the paper more on the employes themselves.

Whether issued by a manufacturer, a wholesaler or a retailer, such a publication should carry a name that is expressive and that will wear well. Examples of good names for house organs appealing to the sales staff (this term including, in the case of some publications, the retailer and his salespeople) are the following in use by well known firms.

The Salt Seller, Alpha Aids, Kodak Salesman, Voice of the Victor, The Beaver Log, Bee Dee Tips for Salesmen, Sales Sense, Long Fibre, One Call, Us, Pull-Together, Selling Facts, The Hercules Mixer, The Butter-Kist Booster, Hudson Triangle, Inspiration, Tebco Messenger, Addressographer, Ginger Jar, GTD News Bulletin, Agency Items, Ford Salesman, The Clothes Line.

Some organizations have had a successful experience in offering a prize to the employe suggesting the most suitable name for a house organ.

Most house organs are issued once a month. Some are issued at no stated times but are prepared and sent out in strict accordance with the needs of the business represented.

Robert E. Ramsay, formerly director of sales promotion of the American Writing Paper Company, writing in *Administration*, says:

The house organ has possibilities as a dynamic sales instrument. It cannot be regarded as the rival of a trade paper, as it is published in behalf of a particular enterprise while the trade paper impartially represents the entire industry. The three items of current interest are the control of the house organ, control through the organ, and especially the control of salesmen through the house organ.

The house organ is generally regarded as especially useful in sales promotion, but it will serve to control every element of an enterprise; purchasing, selling, financing, production, salesman and customer.

Kind of Information House Organs Carry.—The following list indicates the scope of material for salesmen's house organs.

1. Various records of sales and salesmen.
2. Honor rolls.
3. Contest information.
4. Quota and standard-task explanations.
5. Details of compensation plans.
6. Illustrated plant or store information.
7. Technical and semi-technical articles about goods.
8. Newsy articles about styles, models, new purchases, etc.
9. Changes in prices, discounts, commissions, etc.
10. Educational articles on business or selling systems.
11. Good articles on salesmanship.
12. Helpful experiences of salesmen.
13. Personal items about salesmen and dealers.
14. History of and incidents relating to men prominent in the business.
15. Articles by associate editors or a corps of correspondents assigned to aid in publishing the magazine.
16. Question-and-answer department.
17. Live letters from readers.
18. Wit and humor of a suitable kind.

19. Cultural articles—good store etiquette, for example.
20. Special articles, such, for example, as how to pronounce French names used in selling.
21. Technical definitions.
22. Articles describing trade customs.
23. Articles informing the sales force about advertising.
24. Credit requirements.
25. Collection methods.
26. Shipping information.
27. General marketing information and economic data.
28. Earnest, inspiring editorial articles that will create enthusiasm, induce loyalty, and stimulate energy. These should not be "essays" but talks of the friendly, direct, conversational style.

Use of Personal Letters by Fuller Brush Company.—The Fuller Brush Company's sales organization functions under branch managers and assistant branch managers; there may be two assistant branch managers to a branch and under these eight or ten salesmen. These assistant managers are required to build and sustain a high order of efficiency and a fine spirit among the salesmen.

Each week the branch manager and the assistants write personal letters to each salesman; and the home office sales executives write personal expressions of appreciation to each branch manager and assistant manager. This organization uses letters rather than bulletins because letters have a more personal touch.

Letter Method of Western Grocer Mills to Wholesale Salesmen.—The Western Grocer Mills, of Marshalltown, Iowa, sell coffees, spices, etc., to the retail trade through twelve wholesale organizations that are units of the Western Grocer Mills system. The home office of the Western Grocer Mills cannot regard itself as the employer of the salesman, for his responsibility is direct to the wholesale house for which he works and to which he reports. Yet, the Western Grocer Mills undertake the responsibility of coaching every salesman in the wholesale chain.

The system followed is that of sending out two letters a month. While these letters are general, the manager of

the Western Grocer Mills has adopted a friendly, conversational style that makes his messages seem much like individual letters.

Buying at Home.—As might be expected, this business firm meets a great deal of competition from mail-order houses and house-to-house salesmen selling the products of distant producers. The following letter (published originally in *Printers' Ink Monthly*) was designed by the Western Grocer Mills to put the salesman in the right attitude toward this competition.

Gentlemen:

I had a heading selected for this letter but I decided not to use it. It was so common and on a subject about which so much has been written that I feared the heading might make you feel like throwing this letter aside.

I would rather have you read this letter than any I have written, so, in the hope of getting your interest, I want to tell you of a little campaign we have started here in Marshalltown, and then I will tell you near the end of my letter the heading I had selected.

The campaign here is to get the people to trade at home, to appreciate the service of the local merchants, and to believe in the values they are offering. You all know of the lack of loyalty of the people of almost every community and their suspicion of the honesty and ability of the home merchant. You, as traveling men, have been amused and almost astounded at times to see a crowd of people get on a train to go a few towns away to trade, and on the next train see a crowd from that town go on to the next. And so the housewife and the men also are constantly looking away beyond for the greener field of lower prices and better values, and never seem to realize or appreciate the service of the local merchant.

When I come around to visit all of you shortly, I want to tell you of the steps of this campaign and the many amusing instances that have come to light. A certain clothier told me of the crime of the men going to Chicago to buy cheap-sale garments; that he had bought his goods right and marked them down to market value; and then he leaned over and whispered that the furniture men of Marshalltown were in a combination; that he had to furnish his whole house from Des Moines, and that the committee should investigate the furniture situation. Another manufacturer, who made a great speech on buying Marshalltown-made goods, the next day bought sixty dollars' worth of outside groceries. A certain doctor, who raised Cain because a patient was sent to Rochester for a simple operation, sends all his laundry work to Chicago.

If you ever get into such a campaign in your home town, your first reaction will be one of disgust to think there is so much suspicion in the world and lack of faith! To think that farmers will send off to mail-order houses, buy from peddlers and tear down their community! To think of merchants in a town who don't even trust one another!

As you go further into such a drive, your vision widens. You see the reason for looking afar for the greener fields of merchandising, and you begin to see a cure. It is natural that we should all want to buy the very best for our money. Most of us work hard for what we get and none of us ever seems to get enough money to fill our needs. There is always something we want and can't have. The result is that practically every housewife is constantly trying to get the best for her money and every man wants to get value received for what he spends. As a rule, he doesn't come as near to it as his wife, but still he likes to think he is a good judge in spending his money. Perhaps, then, it is only natural for the farmer's wife to turn the leaves of the catalogue at night in the hope of making her chicken money go a little farther. Perhaps we shouldn't blame the city wife, whose husband is doing fairly well, for reading the advertisements of the big bargains in the city department stores; but we believe there is a way to stop her buying away from home, and that is by better merchandising in the small towns and, above all, better salesmanship.

As traveling men and business men, you know how nearly alike all merchants buy. The same lines of shoes, the same lines of clothing, the same groceries, the same lines of dry goods are purchased in the small towns as in the cities. You know that the overhead is less in the smaller town than in the city; a merchant doesn't need as large a profit, for his own living expenses are lower in the smaller town. You can start, then, with the certain knowledge that this suspicion against the local merchant, this trading in another town or buying from a catalogue house, is wrong and not economical. It not only holds back the development of the local community but directly injures the purchaser, for he does not get as great a value for his money spent. If we start with this as a fact, and I personally believe it to be a fact, then our solution is simple. The retail merchant must become a better salesman. He must know his merchandise, must know the service he offers and he must tell his trade about it.

And now I am going to give you the title of this letter. If you have read it this far, I will take a chance now that you will finish it. The heading left out was—YOUR DUTY AS A SALESMAN. I know reams and reams have been written about duty and your responsibility until you are perhaps fed up on the subject, but I wish that I could give you in some way the vision I have had recently on salesmanship, after getting into this local campaign. I know the consumer wants to buy value, not price. The scale of living is gradually advancing. Men are struggling for higher places, better homes and better food. They work hard for their money, they want to buy at as low a price as possible,

but they want first of all—quality. They want substantial clothes, all-leather shoes, good, wholesome canned goods and better coffee.

I feel that the "order-taker" is a leech and a load on the chain of distribution. A merchant can 'phone his order into the house or send it by mail at very little expense. Why pay salaries and heavy traveling expenses merely for writing up orders? The traveling or real salesman is, however, great economy, if he is an educator and a builder.

In 1922 let us change our viewpoint of salesmanship. In years gone by the traveling salesman has been jeered and jested; in years to come the traveling salesman is to be honored. Let us catch this vision at once that we are educators. Let us study the goods we manufacture, let us know the goods we sell, let us teach the merchants to know quality and how to sell quality. Let us encourage our managers to concentrate and not ask them to put in every wild-cat line. Let us sell our plans and products—not the other fellow's. Let us become stronger than the merchants. Let us be builders of men. If we do our duty as salesmen, the housewife will go less and less away from home to buy, the peddler will sell his cart, and a certain mail-order house will have to raise another ten million to make up for the year's deficit.

Letter on Special Product.—The following is part of a Western Grocer Mills letter to the wholesale salesmen, dealing with the subject of spices. This is typical of a series of letters dealing specifically with the various items that the salesmen are called on to promote.

We have a letter from a merchant near Marshalltown. About a year ago he visited our Mills and we gave him the "cinnamon talk." It registered, just like it did with the St. Joseph salesman, and he asked for samples of the different whole spices. We sent him the two varieties of each whole spice, the cheapest quality and the best. This merchant put these samples on his counter and he gave his customers the "cinnamon talk" just as we gave it to him. He found that over half of the spice business was going to mail-order houses. He added the Jack Sprat one-pound package to get the larger spice business, and, in his recent letter to us, this merchant says that in one year he exactly doubled his volume.

We have written you several times this year about our new vision of salesmanship. You have a duty to your House, your family and to yourself to sell just as much merchandise as you can. As we see it, now you have another duty that is higher than any other, and that is your duty to the consumer. You owe the housewife a square deal and she isn't getting a square deal on spices when she purchases the ordinary brand being offered today and is not told about our Jack Sprat quality. The merchant must come to feel this same sense of duty. He must study quality,

must know how goods are packed, why certain kinds are superior, and then he must explain to his customers the advantage of purchasing the goods he offers.

Next month we are planning a big drive on Jack Sprat spices. We have purchased a thousand very attractive aluminum spice-sets. Each set contains a rack and six aluminum jars. We have shown this set to a number of women and every one has been interested and has told us that she was going to get one for her kitchen cabinet. We are having coupons printed and the housewife gets the set free by saving the coupons. We will give you the details of the drive next month. In the meantime, we hope that you will go after this spice business. We will gladly furnish to any merchant, interested in Jack Sprat spices, several jars of whole spices, showing the standard quality and the fancy quality. Any merchant can easily double his spice business if he will talk quality and explain quality. Give him your vision of duty, the square deal he owes the consumer.

Perhaps you will want to save the News-letter until the big spice drive next month. Some of the selling arguments may help you to put over Jack Sprat spices in a larger way.

Letter of Encouragement.—The general manager of the Western Grocer Mills believes that a continuous series of letters about quotas, contests and appeals to do better work is likely to reflect the employer or sales manager in the light of a slave-driver. He, therefore, interweaves, with such letters, an easy personal style of message that relates experiences—his own experiences or those of other experienced salesmen. The following is an example of such a letter:

I know full well that all salesmen at times get discouraged and homesick. I experienced my first homesickness after I had been on the road about two months.

It was my second visit to the town of Guthrie Center, Iowa. I got into the town one afternoon on a combination train which usually remained there for two hours. This time it was late. I left my personal grip in the coach and rushed up town with my sample case. On my first trip I had sold 100 pounds of coffee to the firm of Dunley Bros., and I wanted to get a repeat order. Several salesmen were ahead of me, and by the time I got to the buyer my train was due to leave. He told me he would give the coffee a good trial and if he heard no complaints he would buy from me next trip.

I rushed down the hill for the depot as I heard the engineer give the signal for leaving. The coach had just cleared the platform when I got

there. I ran on down the track hoping to catch it, but finally sank exhausted as the old wheezing engine rounded the curve and disappeared.

It must have been an hour before I returned to the depot. As I sat there trying to get back my breath, I cursed the day that I started to sell coffee. There was no future in it, nothing but 14 hours of hard work each day. A fellow was a sucker to waste his life for the little money in it. How many salesmen have at times had these same thoughts! How many of them have resigned and quit the road when real success was only a short way ahead! I am sorry for the sales manager who hasn't had this road experience, for his work of encouraging men is going to be doubly hard, if he doesn't know of the trials and real hardships of opening up a new territory.

I sat there beside that railroad track for at least an hour. My personal grip was in the coach at Stuart, twenty-five miles away. I wanted to go back to the hotel and write in my resignation. At last the day had come when I was "skunked" and hadn't sold an order, and then all at once I began thinking that perhaps I might still sell some coffee, for it wasn't yet six o'clock. I forgot the pain in my lungs, forgot my discouragement, and started for town. At the hotel they told me the stores would be open in the evening so I cleaned up, got an early supper and was back at Dunley's store.

This experience is taking too long to relate. I would like to write you of the surprise of Mr. Dunley in seeing me back, and I wish I could remember the sales approach that I used. I do know that he purchased three barrels of bulk coffee from me that evening and a 100-pound case of our Mayflower package coffee. It was by far the largest coffee sale that I had made up to that time. It was the starting of one of the closest friendships that I had with the merchants in my territory. I later secured Mr. Dunley's entire coffee business.

I like to think back to this memory. It was the time of my first discouragement and homesickness. It was the time I wanted to throw up the sponge and quit the game of selling, and yet in a couple of hours I received my biggest coffee order and made a real friend. Truly, it is sometimes darkest just before the dawn.

Greetings and Offers of Assistance to the New Men.—Somewhat related to the foregoing series of letters is the following, which is an example of the friendly style of letter sent to new salesmen by the divisional sales managers of Austin, Nichols & Company, manufacturers and distributors of food products.

Friend Anderson:

Let's get better acquainted!

It's your business to sell the goods. It's mine to help furnish the right goods at the right prices. The more you know about my job and the

more I know about your job, the better service we can both render to the fine house we represent.

Sit down occasionally and write me a man-to-man letter, telling me some of your troubles, desires and ambitions. Ask questions about the particular products of my department. Offer suggestions and constructive criticisms. Perhaps I can help you with some of your own selling problems. Or maybe I can be of service in helping you to help your customers with their publicity and window problems, sales plans, store arrangements, and the like. I have made a life study of these things and will be glad to be of service to you and your customers.

In fact, I am here to help you make a good record in your territory and will consider it a personal favor if you will call upon me occasionally.

Right truly yours,

Wm. Gingen Hopkins

Mgr. Dried Fruit and Nut Dept.

Direct-mail Campaign as a Stimulator.—The Acme White Lead and Color Works some years ago used a direct-mail campaign on salesmen in a situation where there was need for quick action and not enough time for a general conference of the men.

The scheme evolved was a direct-by-mail advertising campaign to the selling staff, and the name chosen was "Acme Quality Bull's-Eye Campaign." All the products of the company bear a universal label—a bull's-eye—in the center of which is the name of the product and that of the company. Thus, a striking name was given to the campaign and also the value of the trade-mark of the company was emphasized.

The form in which the information went out to the salesmen resembled the issues of a newspaper. The first issue gave complete details of the plan and also gave prominence to the fact that extra money could be earned by each one who made an extra spurt. On the front page was a bull's-eye, marked off into circles within circles, the spaces between each representing a 10 per cent increase one over the other. There was also the announcement that the competition was based on the general-volume estimate for the first three months of the year; and that the arrows numbered for each branch would mark within the percentage circles the progress made (see Exhibit 123).

These sales estimates were computed for each territory on general volume and on the items to be pushed. When a man reached the estimate figured, he got his prize money and his interest was further sustained by the offer of an additional money reward for every dollar's worth sold over that estimate.

The newspaper bombardment was maintained at two-week intervals and with special bulletins (see Exhibit 124)

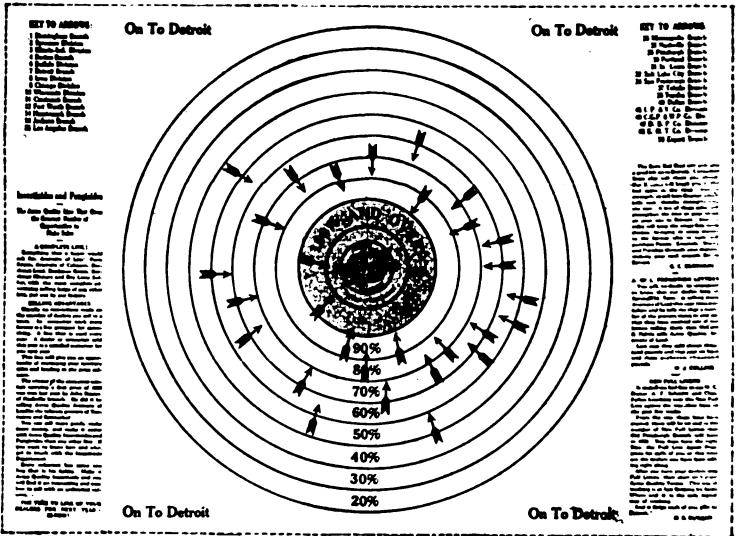


EXHIBIT 124.—Specimen of the inside pages of the bulletin sent out at intervals by the Acme White Lead and Color Works to show the relative progress of the various branches and divisions. This illustration is from a different campaign from that with which Exhibit 123 is identified but shows the same kind of contest.

during intervals. Each issue of the newspaper summed up results.

The bulletin to the sales organization, of which Exhibit 124 was the inside feature, also showed, as the contest advanced, the prizes and bonus amounts won. This summary was presented in tabular form, as indicated on page 461.

SUMMARY OF PRIZE AND BONUS WINNERS 1921-1922

Representative or manager	Bull's-eye competition	Varnish	Varno-Lac	Motor car finish	Brushes	Total
W. H. Harris.....		\$68.00				\$ 68.00
Geo. L. Staffnell.....			\$65.00			65.00
H. S. Palmer.....		80.00				80.00
R. G. Hatch.....					\$ 5.00	5.00
J. E. Maguire.....		34.00				34.00
Geo. I. Cain.....	\$ 50.00					50.00
F. J. Norton.....		30.00		\$22.00		52.00
H. L. Bailey.....	25.00	66.00				91.00
E. F. Gaffney.....	100.00			34.00		134.00
H. D. Kimball.....					10.00	10.00
Paul Mueller.....			11.00			11.00
H. E. Caine.....	75.00					75.00
B. D. Banker.....	100.00				100.00	200.00

In a succeeding year, the Acme White Lead and Color Works used the same general idea in a sales contest; that is, sending out a bulletin showing Detroit as the bull's-eye center and making the trip to Detroit one of the features of the contest. The slogans "On to Detroit" and "I'll see you in Detroit" were used freely. Instead of showing the arrows approaching the bull's-eye, a number of different routes were shown, these routes being labeled "Syracuse to Detroit," "New Orleans to Detroit," etc. At the bottom of the diagram miniature views of different methods of traveling were shown with these explanations:

- By Airplane—ahead of schedule
- By Fast Train—on schedule
- By Horseback—a little behind schedule
- By Bicycle—still more behind schedule
- By Walking 'way behind schedule.

Of course the illustrations hitched up with these explanations. As the campaign progressed, the rate of progress toward Detroit by the different branches was shown from time to time, the airplane, the train, the horseback or the bicycle method being indicated on the diagram, according to

the speed of the branch office. The following is typical of the coaching of the main office:

Look here and see where your branch is. This shows results through January 13—20 weeks of our year gone. From now on we expect every branch that is not on the "fast train" to make up time rapidly and catch the "Limited" and from there do a "movie stunt" leap to the "airplane." Who will be the first? They say leather is advancing in price, so you fellows who are traveling on your "dogs" had better hustle if you don't want to walk the hard ties on bare feet. Let's see some big changes next time.



EXHIBIT 126.—Trophy used by the Acme White Lead and Color Works as an incentive to its salesmen. To be retained permanently this trophy had to be won three times by a branch. Thus, it became a feature of sales effort for several years at least. The trophy was simply a special feature introduced in addition to the usual prize and bonus plan. The trophy idea has been used very successfully by a number of organizations.

Other methods of visualizing the contest were used. For example, in one bulletin a map of the United States was shown (Exhibit 125) with contestants of the various branches in different positions on the map. Local flavor was given by pictures such as the Florida man coming along on his alligator.

(Summarized from *The Mailbag*)

Exhibit 126 is an illustration of a trophy that brought additional energy into the contest and served as a permanent reminder of the honor won.

Announcements That Please and Aid Salesmen.—When a White and Wyckoff Manufacturing Company salesman is ready to call on either old or new customers among jobbers, retail stores, department stores, druggists and novelty shops, the home office sends out about two weeks ahead a distinctive announcement of the salesman's coming visit.

In the meantime, the trade has received an announcement folder about new lines of papeteries, tablets or composition books offered by this manufacturer.

A day or so ahead of the salesman's visit, this manufacturer sends dealers a neat post card or some other distinctive notice or folder on which is the salesman's photograph, his full name and the date of his visit.

Whenever a new salesman is added to White and Wyckoff's staff, announcement of the appointment is made to the entire trade within the new salesman's district. This announcement may be a 4-page card bearing a photograph, some facts about his appointment, and a description, interestingly written, of his past experience. The final word is that the appointment is made to serve those particular dealers more efficiently.

The same idea is carried out in the home office: every employe learns of the salesman's activities through the write-ups in the *White and Wyckoff Service Bulletin*.

These little write-ups have such captions as "The W. and W. Sales Force Grows Larger." "Introducing a New Salesman," "A New Representative for the Philadelphia District," and other headings. They always include a photograph of the salesman and pleasant notice of him.

Another house organ is issued by this firm especially for the trade. This is entitled *The White and Wyckoff Viewpoint* and has a circulation of 25,000 a month. It is interesting to jobber and retail dealer alike. It supplements the work of the salesman, but its purpose is primarily to help the dealer move his goods. Each issue presents selling ideas and merchandising hints.

Exhibit 127 shows three cards of a short mailing card series used by George Borgfeldt & Company, announcing the salesman's call and setting forth the selling points of a recently introduced product.

How Dennison Manufacturing Company Uncovers Salesmen's Weaknesses.—Intensive study of a salesman's work often uncovers weaknesses that can be corrected. An interesting instance of this kind has been related (*Printers' Ink*, Oct. 19, 1922) in connection with the field work of the Dennison Manufacturing Company. The sales executives of this concern found, through systematic study, that too large a percentage of the salesmen's time was consumed by non-selling functions such as planning the day's work and keeping records. Furthermore, the salesmen were not performing certain tasks efficiently: their routing was wasteful as a result of needless skipping about in their territories; interviews were not effectively planned; time was lost in reanalyzing the needs of old prospective customers.

In order to remedy these defects, the following plan was tried in two districts: An exhaustive territorial analysis was made for the purpose of compiling a complete "prospective customer-list." Prospective customers were listed by streets and by kind of business. With these details in hand, a new plan of selling was introduced. Now, when a salesman makes a call on a prospective customer, he is required to make a brief written report showing sales made, orders lost, items for which the firm is a prospective customer, date when the firm will be in the market, items sold by competitors, and similar valuable data. Clerks in the branch office make a record of these items from the salesman's daily work. Routing of calls is made economically by requiring a salesman to work one side of a street without skipping; or by requiring him to call on all prospective customers on a street who are in the same type of business. The manager keeps a follow-up file to make sure that return calls are made at the proper time.

Such a system enables the salesman to make at least twice as many calls each day as he made under the old system. His interviews are planned more effectively and with less effort. Clerks take care of a mass of detail work that often

An Old Citizen of Europe Comes to America

One of Europe's oldest and finest toilet soaps is now being imported for American use.

Klein's Glycerine Soap

Delicately perfumed—attractively wrapped. It is an abso-lute. It outgrows the baby of refinement. It sells rapidly.

Carries Good Profits

Selling at a moderate price, Klein's Glycerine Soap carries a good profit for you. An insert being advertising in the paper will be carried on all the progressive sections, making papers to bring you profitable customers.



GEO. BORGFELDT & CO.
11th Street and Irving Place
New York
Sole Distributors: United States and Canada

from Europe—

An Exquisite Old Toilet Soap.

European prestige in a product means quick sales for you. European experience and ingenuity mean the idea of refinement and advertising—advantages in other articles.

All these we present to you in

Klein's Imported Glycerine Soap.

Our representative will call in a few days to explain our important advertising campaign and other important features of Klein's Soap.

GEO. BORGFELDT & CO.
11th Street and Irving Place, New York
Sole Distributors: United States and Canada

KLEIN'S GLYCERINE SOAP



Within the Next Few Days

Our representative will call to explain further details, show you samples, and supply you with literature such as the big, graphic toilet soap which has been a success in Europe for over half a century.

KLEIN'S Imported Glycerine Soap

Bring them and show them which convinced you of its superiority. Advertising in your city to bring immediate success.

GEO. BORGFELDT & CO.
11th Street and Irving Place
New York
Sole Distributors: United States and Canada



EXHIBIT 127.—Good example of a short mailing card series, used by George Borgfeldt & Company, to pave the way for the salesman. These cards not only announce the forthcoming call of the sales representative, but also impress on the retailer the selling points of Klein's Glycerine Soap. Reproduced through courtesy of James F. Newcomb & Company, New York.

is allowed to slow down the progress of high-grade salesmen. The branch manager gets accurate information concerning sales possibilities, and can check up on the progress of each of his salesmen in a systematic manner.

DRIVING HOME TRUTHS TO SALESMEN BY MEANS OF CARTOON PICTURES

The salesman usually is surfeited with correspondence and printed matter from the home office. He is naturally inclined to neglect or skim over much of this. On the other hand, pictures impress themselves almost at a glance and gen-

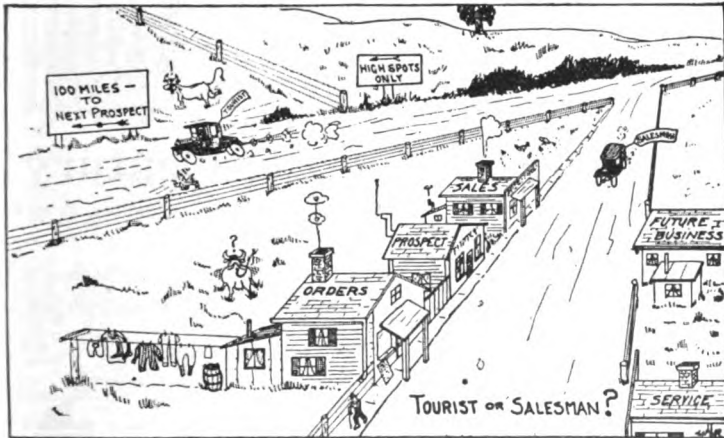


EXHIBIT 128.—Often a cartoon picture of this kind shows the salesman the weak spot in his work better than a letter would. In this case it is the object of the sales manager to point out the difference in the work of the salesman who took time to cultivate sales and good-will and impress the service of his employer in all the cross-roads towns as compared with the method of the "tourist type" of salesman who hits the high spots only and prefers to travel one hundred miles to the next supposed important prospective customer rather than bother with what he calls "tank towns."

erally a salesman's sense of humor is such that he appreciates a good criticism, even of his own work.

Therefore, many sales managers are using cartoon pictures, such as those shown in Exhibits 128, 129, 130 and 131.

The cartoon indicated in Exhibit 128, entitled "Tourist or Salesman?" was sent out in the form of a blue print by the



All aboard for the Century!

EXHIBIT 129.—How the American Radiator Company exploited the first two men to qualify for its Century Club.

Movie of an Arcola Salesman sneaking up on the Century Club



EXHIBIT 130.—Use of humorous picture to illustrate how a salesman can induce a dealer to undertake cooperative advertising.

Brantford Computing Scales Company, of Canada. O. H. Miller, sales manager of this concern, says (*Marketing*):

At the time we issued "Tourist or Salesman" we wanted to bring to the salesmen's attention the necessity of covering their territories systematically, and to emphasize the fact that "time" is one of the predominating factors essential to success. This could have been accomplished in the usual general letter, but a cartoon, with a

HOW HE LANDED THAT ORDER—



EXHIBIT 131.—Cartoon to drive home the truth about importance of display in dealer's store. The American Radiator Company scores by giving a salesman credit for suggesting this cartoon.

little touch of humor, which we feel could not be as aptly expressed in a letter, drives home the point in picture form. He does not have to write to the head office explaining his position, but if the "shoe fits" he can take the lesson to heart without feeling annoyed.

One of our salesmen, in acknowledging receipt of this cartoon some time ago, stated "I guess that's me all right."

Mr. Miller further expresses the opinion that a cartoon of this kind is not so likely to discourage the inexperienced or new man. Such a man after he has had several disappointments during the day, when he gets a letter from the home office criticizing him for lack of results, is more than likely to

become depressed. The cartoon, on the other hand, puts the situation in a novel way and merely asks the question "Tourist or Salesman?" In other words, the salesman is left to see the error of his own way if his method has been weak.

P. Lorillard Company's Messages.—Exhibit 132 shows how Joseph A. Newman, manager of the cigar department of the

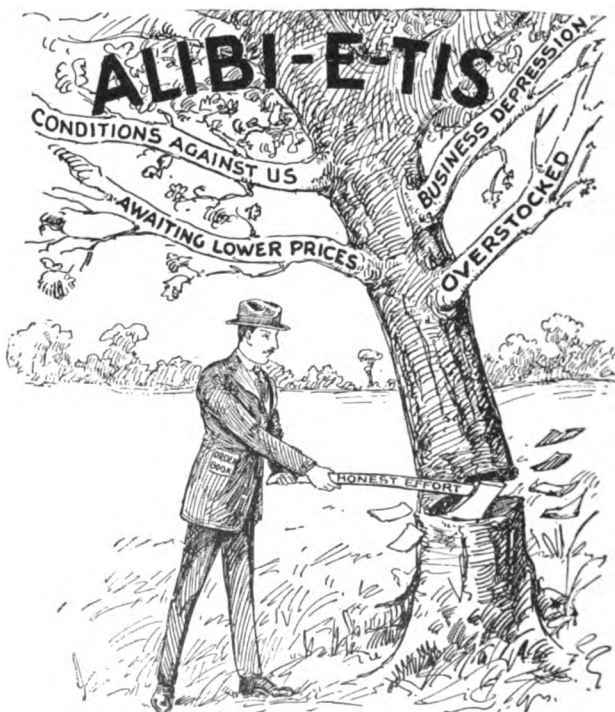


EXHIBIT 132.—Cartoon title page of folder dealing with the every-day reasons or excuses for failure to make sales.

P. Lorillard Company, combines cartoon illustrations with a series of messages to the sales staff of this organization. These are made up into a 4-page folder of convenient size, known as the *Muriel Messages*.

Exhibit 133 is the larger part of the "Alibi-e-tis" message, while the message entitled "Today is Today," reproduced in Exhibit 134, is a complete reprint of one of the *Muriel Messages*,

reproduced through the courtesy of Mr. Newman, of the P. Lorillard Company.

Exhibits 135 and 136 are other examples of messages to salesmen conveyed through company publications.

ALIBI-E-TIS

ALIBI-E-TIS! What is it?

Alibi-e-tis is a dangerous, destructive disease that chiefly confines its wicked work to the folks in the selling game and in its virulent form renders them non coms in the battle for business.

Most of us have it, but won't admit it, and the funny thing about **Alibi-e-tis** is that until we confess its existence with us, there is no cure.

The symptoms are easily recognizable wherever post-mortems are being held over a sale that went dead.

Lend your ear to this:

"I tell you, Mr. Boss, it can't be done. The trade is loaded to the guards with goods; the roads are bad and the farmers are not buying; my territory never would warm up to that style packing—in fact, conditions are so strongly against the proposition that it is useless to think of putting it over."

Did you ever have to listen to or punish some other listener by that line of chatter? Well, that's **Alibi-e-tis**.

Are you getting the drift of the diagnosis of this disease?

Just as soon as we run up against a selling snag, how quick we are to blame it on the territory; on the jobber; or the retailer; or on every other factor but one, and that the vital factor.

When the sale goes over, we want the credit, because we are salesmen. When we fall down, we are still salesmen (emphasis on the *still*); but, it wasn't our fault 'cause "conditions were against us."

"Conditions against you"? Rot! You against conditions is the way to look at it. Be bigger than any condition. It's up to you to climb over conditions. Without resistance, there is no efficient effort and without efforts, we stagnate into Order-Takers, the original breeders of **Alibi-e-tis** and the outcast relatives of real salesmen.

You're a salesman and your big idea is to sell goods, whether conditions are for you or against you. Regardless of conditions, the point is not that there is always a way to make a sale so much so as there is always some one who can, and if YOU don't, and blame it on Conditions, man, you've got **Alibi-e-tis**.

It's a terrible thing, this **Alibi-e-tis**, because very frequently it distorts our minds to such an extent as to make us feel that conditions really did kill the sale.

EXHIBIT 133.—A somewhat long but frank talk that is likely to make a salesman ashamed to report the commonplace reasons for losing sales.

Set the stage for this scene. A dealer. A salesman. A logical proposition. Sample displayed on counter. Opening remark by salesman—"Well, Mr. Buyer, what do you **THINK** of it?"

Then comes the "thunder of silence" and the "lightning of rejection" from the dealer, and the sale is crashed.

On an approach like this, the opening remark is usually the closing remark, and then follows the burial service—"He told me he didn't **THINK** it would sell and turned me down cold."

Why should the buyer be obliged to think of the selling possibilities of the proposition? He didn't tell your boss to get it up. Why ask him what he **THINKS** of it? Why not, right off the reel, tell him what you **KNOW** about it? Instead, if on the dealer's snap judgment of three seconds he says "nothing doing," bing-bang, back into the sample grip and another calamity caused by Conditions.

Can't you see that had this salesman gotten ready to make a sale, the sale would have been ready for him? But, **NO**—on his hit-or-miss policy, he's a salesman when he hits and Conditions do the pitching when he misses! That guy's got **Alibi-e-tis** and doesn't know it, and until he does he's out of luck in finding out why he's not in luck.

Alibi-e-tis must not be confused with **Loaf-e-tis**, as the latter is far less insidious in spreading its fangs of foolishness in the system of a salesman.

Loaf-e-tis deadens a desire for worth-while work, but **Alibi-e-tis** absolutely creates a wish to perform useless labor. Prove it? Sure.

It's three P. M. See that fellow over there at the writing desk telling the office "that our prices are too high"; "our jobber does not give us proper support"; "that the trade is luke-warm to our policy"; etc., and once again etc. Working? He'll say so. Working hard to think up excuses as to why they didn't buy, instead of applying "thought-out" reasons why they should. Working hard on a voluminous report to justify its not going over, instead of efficient efforts to put it over. Working uselessly with the worry of "will I get *by* with it?" instead of working incessantly to get the "*buy* of it."

More grief is spilled over the order we didn't book than joy over the one we did, and why not? Selling is the game we play, and when we do not successfully sell, we **WORK** when we try to show the boss that the game was fixed.

Are conditions changeable? Yes? Then change them to boost for you. But they are not changeable, you say.

All right then, have it your way, but why an order when they are favorable and an "excuse" when unfavorable? Man, don't you see that Conditions are naturally neutral, neither for you nor against you! When you land, you are a salesman, when you don't, it's **Alibi-e-tis**!

One-half the time spent in bemoaning Conditions, if spent in preparing for Conditions, would vanquish Conditions.

Frequently a sale blows by because we did not get going with our second wind. We exert only 60 per cent of our ability, the remainder lies dormant, to be used up in passing the buck. We try to make the steep hill of Success on high, and then holler "the hill's too steep." Why not shift the gears of our latent ability and land with ease over the top? How about it?

Be honest with yourself. When you book the order, shoot it in. When you don't, face the facts like a regular salesman should. Take inventory of yourself. See just what Ability-stock needs replenishment and-load up prepared to deliver the goods on your next attempt.

Stripped to the bone, Alibi-e-tis is Failure's apology for that lack of performance that Honest Efforts would have achieved.

EXHIBIT 133.—*Concluded*

TODAY IS TODAY!

Today, you *deliver* the results of your services on what *you are* rather than *advertising* your efforts what you *think* you are.

Today is a guarantor of your present Selling Character, but not a guardian of your past Selling Reputation.

Today is the Announcer of new Selling Titles. You are either an Izzer or a Hazzer.

Today is the Rewarder of Live Ones, but not the Resurrecter of the Dead Ones.

Today is not regulated by the hours on the clock. It must always be still today until the order is in the book.

Today is the Prober of Past Performances. Conditions pushed you the order or Ability pulled you the order. If Conditions didn't help *then*, don't let Conditions hinder *now*.

Today is already yesterday to the salesman who is going to get that order tomorrow.

Today is the Examination Teacher of the Selling Lessons you should have learned when the School of Easy Orders was open. If you taught yourself how to divide Production in Boom Times, you know now how to multiply orders in Bum Times.

Today is the Switch Tender of Destiny. You are thrown on the Main Line of Rich Recompense for Actual Accomplishments, or left unnoticed at the Flag Station of Failure to Make Good.

Today is a challenge to our Knowledge of the Selling Game; to our Enthusiasm; to our Confidence; to our Industry. The furious forces of the Alibi King are flaunting in our faces the battle-cry of "Icantbedone." If we weaken, we are whipped. Shall we fight like red-blooded Super-Salesmen, or quit like ochreized order-takers?

We will fight! Let's go!

EXHIBIT 134.—Good example of stimulating message to a sales organization.

MISCELLANEOUS SUGGESTIONS

Card Index Check and Mail Solicitation.—A Chicago manufacturer has a check upon his salesmen's activities through a card index of the customers.

On receipt of the salesman's route list, the cards bearing the names of the customers in the towns on the route list are removed and filed separately. As the orders and reports come in, the cards are returned to the main file. The cards remaining in the special file at the end of a week show customers who have not given orders, or who have not been called on by the salesman. This gives the sales manager his opportunity to seek explanations. After the salesman has called throughout his territory, the sales manager carries out an aggressive letter-canvass on all who have not bought, and frequently gets mail-orders. He does not attempt to displace the salesman but supplements his work and teaches him that thorough attention often brings the order when casual effort has failed. Knowing the system, the salesman is on his mettle to do his best.

(Summarized from *System*, Vol. 39, No. 3)

Evening Discussions with Sales Manager.—With Williams and Hastings, Detroit Hupmobile distributors, it is the custom for all salesmen and heads of departments to meet with the sales manager one or two evenings a week. The sales manager presents new sales ideas, calls attention to new Hupmobile advertising copy as well as advertising of competitors, and brings up questions that have been asked salesmen. Usually a debate is stirred up as the best means of answering the questions. General news items of interest are brought out, discussions as to classes of people who should be prospective purchasers and so on. The program is varied by the reading of a good article, or some one gives a talk on certain phases of the sale and merchandising problems of the automobile.

(*Motor World*, June 28, 1922)

Thoughts on the Use of Saturday.—In some kinds of selling, it is undoubtedly a disadvantage to try to make the usual type of calls on Saturday. It would not, however, be sound to conclude that Saturday is always an off day for active selling

THE BAKER-VAWTER JOURNAL

PUBLISHED BY THE BAKER-VAWTER COMPANY AS A MEDIUM
OF NEWS AND EDUCATION FOR THEIR ORGANIZATION

VOL. XX

BENTON HARBOR, MICH., AUGUST, 1922

NO. 8

Am I Able to Qualify?

Have you heard the story of the three stone cutters?

"What are you doing?" a stranger asked one stone cutter.

"I'm working for \$7.50 a day," the man replied.

"And you?" said the stranger to the second. "I'm cutting stone," growled the laborer. The third worker replied to the same question.

"I'm building a cathedral."

It seems to me that each one of us in the sales organization can profitably ask ourselves the same question, "What am I doing?"

"Am I working for so much per month?"

"Am I selling loose leaf and steel filing equipment and supplies?"

"Or am I building a business for myself?"

"If my ambition is to build a business for myself, which will be pleasant, permanent, and profitable, what must I do to complete the structure?"

Let us analyze a successful business and see what elements enter into its make-up.

It seems strange when we go into the subject to find how much an influential business institution is like an influential man. But after all this is not strange, for a business institution is in fact the material evidence of the personality or personalities back of it.

What are the fundamental attributes of an influential man? Well, there are—

First—*Character*, i. e. energy, honesty, loyalty, square dealing, truthfulness.

Second—*Ability*, i. e. natural mental power increased by experience and knowledge.

Third—*Ideality*, i. e. an ideal, or purpose in life.

Fourth—*A plan*, i. e. an outline of the methods to be used to attain the ideal or purpose. An influential business institution must have these attributes. Likewise an influential man must have them.

I think Baker-Vawter Company is an influential business institution. I think it can claim character, ability, ideality and a plan. I think it can point to a record of achievement and a standing among nationally known business houses that is to be envied. Now during this year the Company has tried to present to each man in the sales force a uniform plan to help him to a greater measure of success. This plan has for its object the building of influential men who can build up in their respective territories an influential business following which will be permanent and profitable.

Have you understood and appreciated this plan? Have you loyally and honestly tried to put it into effect, even though you did not comprehend it completely? Let your own conscience be your accuser. Oh ye of little faith, do you think Baker-Vawter with its 33 years experience would spend thousands of dollars to carry to you a message of bunk? These trying times are telling the story. Men who do not possess character, ability, ideality and a plan are falling by the wayside.

Would you succeed? Then heed the words of Thomas E. Wilson, president of Wilson & Company, the great Chicago packers. "No business can succeed without an efficient organization." Or those of Mr. Frank

(Continued on next page)

EXHIBIT 135.—First page of *The Baker-Vawter Journal* for salesmen, illustrating this firm's method of impressing on salesmen the extent of their opportunities.



In Which of These Pictures do You Belong?

When you step into a buyer's presence what are your feelings?

Are you sure of yourself—confident of your ability to answer any question that buyer may put to you, and so absolutely sure of his need for what you are selling that you can hardly wait to tell him about it?

Or are you just a trifle afraid—afraid that he might ask you some question which you cannot answer—afraid he might hurt your feelings—afraid of you don't know what?

You will never make your mark as a salesman until you are eager to meet men; eager to get up in the morning so that you can begin another glorious round of meeting men and telling them about what you have to sell.

You will never make your mark until you feel deep down in your heart that you are a bigger man than the customer before you—not bigger intellectually or physically, but bigger in the knowledge of **YOUR** proposition.

There is nothing that will carry you further up the ladder of success than the sureness-of-self which comes from knowing one's proposition inside and out and upside down, **AND KNOWING YOU KNOW IT.**

Get the idea out of your head that selling is a bag of tricks. It isn't. It is merely the sincere, honest presentation of certain facts to men who need what you have to offer. The more facts you have the more money you will make.

(Courtesy of the Dartnell Corporation)

ЭКЗИМТ 136.—Example of a readable, printed bulletin. Though obviously a general talk, it is to the point and will appeal to the receptive salesman.

work. As was pointed out in a discussion of this subject in the pages of *Printers' Ink*, many sales managers insist that their men shall work a six-day instead of a five-day week. These managers believe that by using good judgment a salesman can manage to have several satisfactory interviews on Saturday before the closing of the business day. Good judgment means, of course, that the salesman is not going to pick Saturday morning to call on a busy man whose hours before one o'clock are going to be unusually well occupied and who will probably give little consideration to anything a salesman may bring up, even if he can be seen. But not every customer or prospective customer is in the class with this busy man. In other words, Saturday morning may be an auspicious time for the easy customer but not for the hard customer. Even in the case of retailers, for example, by giving a little assistance, a salesman may manage to work in a few minutes' conversation about an order and secure it.

An executive of the Aunt Jemima Mills Company makes this comment on the salesman's use of Saturday:

There are numerous ways a salesman can make Saturday a profitable day, referring more particularly to our business. When in a large or average size city, he can work restaurant or hotel trade. He can visit with the jobbers and get acquainted with their salesmen; oftentimes he is invited to give them a talk. Most jobbers' salesmen are in the house on Saturday. He can get permission from some of the large retail grocery stores to appoint himself special salesman to demonstrate his products to the store's customers, by coming into personal contact with the people, his principal aim being to call their attention to his products, as well as making himself useful to the store. This kind of work requires tact, but if he handles it right, he can make a friend out of the proprietor, as well as helping to increase the sale of his products. Another way he can spend a profitable Saturday is to go from store to store and get permission to put up advertising matter, distribute literature, and so on.

It is hard and not altogether advisable to demand of a salesman any certain work. It all reverts right back to the salesman himself. If he is inclined to do it, he can do it, but he must plan for himself the most advisable thing to do, depending upon the circumstances, and where he might be.

The sales department of the Welch Grape Juice Company, Westfield, N. Y., is responsible for these thoughts on what salesmen can do with Saturdays:

There are fifty-two more working days in the year for the salesman who uses his Saturdays, approximately one-sixth more time in which to exert earning power. I have made it a point not to let salesmen forget this, but have never found a universal rule to give them as to how they should put in their time. That is up to each individual salesman. With regard to this matter, salesmen naturally fall into four groups: city men, country men, men new to their territories, and men long established in their territories.

City men who have been long in their territories have often kept themselves busy on Saturdays making call-backs by special appointment on customers whom they know well. In the active consuming season, these same men have done valuable work in dressing windows Saturdays. Some dealers object to having them fussing around the store on their busy days, but many are willing to put up with an hour's inconvenience to have a fresh window-display in over the week-end. Both old and new city men always have an accumulation of details—complaints, adjustments, special services to perform for customers, freight matters—that consume time and can just as well be cleared up on Saturdays as on other days.

The country man is not so favorably situated, but neither does he meet with the resistance in making Saturday calls that the city man encounters. Many small towns can be worked as well Saturdays as other days. It is in the small town with a "back-country", from which the people come to do their trading on Saturdays, that he meets his most difficult problem. Careful routing is the best safeguard of his time on Saturdays.

J. W. Hamilton, sales manager of Finch, Van Slyck and McConville, makes this contribution to the discussion about the use of Saturday:

Our men, when the spring and fall goods are ready, from September to May 1, spend a good many of their Saturdays writing up orders and in correspondence to the trade, as nothing is more valuable, from a selling point of view, than to write to the trade frequently.

They have to check up their "outs" and make changes in their prices, and for the last two years at least this has been almost one day's job.

Where a buyer does not sell in the store, then he can be approached on Saturday, but that is only in the very large stores, and is not a practical factor in our business.

An ambitious salesman will sell goods on Saturdays but an unambitious salesman will not and cannot be brought to do so.

Our men understand the value of helping the merchant on a busy day—Saturdays—and frequently do so, and then get their reward some time in the shape of a good bill.

P. D. Harriman, general sales manager of the Russia Cement Company, makes Saturday the "salesman's own day." Describing his method, Mr. Harriman says:

Each of our men is working on a definite quota and for a bonus on his sales above that quota. I have worked out for each man his required daily business and have figured it on the basis of five days a week to make his quota and am trying to get them to fight to accomplish that in the five days, and then urging them to work for themselves on Saturday. This plan makes their Saturday work and the mail-orders coming from their territory always credited to them, roll up their surplus for bonus.

The editor of *Printers' Ink* adds this final comment:

On this whole question, there is no such thing as uniformity of opinion as to what the salesman should do on Saturdays. Nearly all manufacturers, however, agree that the day should not be wasted. It should be spent constructively, if not in selling goods, at least in winding up the tag ends of necessary work that have accumulated.

SECTION XI

COMPENSATION PLANS AND CONTRACTS

A study of the compensation plans used by representative business concerns shows a great variety, some of the plans or systems being rather intricate. As in the case with other kinds of plans, compensation plans, to be effective, must be worked out to meet the particular needs of each business. Because a certain plan is remarkably effective in one branch of selling is by no means conclusive proof that it is well adapted to another.

The following are the familiar plans:

1. Straight commission.
2. Straight salary.
3. Salary plus commission.
4. Salary combined with bonus.
5. Commission combined with bonus.
6. Task-and-bonus system.
7. Drawing account, based on gross sales, profits or bonus earnings.
8. Point system, based on an elaboration of the simple task plan.

Expense is regarded as a separate and necessary item in connection with a number of these plans.

Commission System.—This plan leaves the salesman too much to his own ideas unless commissions are varied according to the different products sold. The straight-commission man is likely to oversell the producer on some items or to overstock the dealer, and is also inclined to go after only the easiest and largest orders. Unless forced, he will likely leave much valuable ground uncultivated. It is difficult to get good field reports from straight-commission men.

The plan may be a general percentage or a fixed percentage on certain units of sale, or a variable percentage, according to the product or plan of payment. This compensation plan seems to be more effective with bulk commodities, types of goods that are sold repeatedly to the same customers, and

other specialties sold direct to customers, such as sets of books, for example.

A straight-commission plan, while preferred by many men, has its ups and downs. When their commissions are high, salesmen will probably spend with a free hand; they are likely to become dissatisfied when their earnings are low.

Straight Salary Plan.—This plan has unquestioned merit for many businesses. When a man's earnings are not dependent on his weekly or monthly sales, he will take pains to create good-will for his firm. A serious drawback to this simple plan is its lack of incentive for the men to develop their individual capacities. Furthermore, it does not adjust salary expense to volume of business or the profit showing; and in slack seasons, where many of the men are old and well-paid, this method puts a heavy load on a business.

Combination of Salary and Commission.—This system incorporates some of the merits of the two plans just described. Salesmen on salary and commission have a chance to earn extra profit, while being assured of a steady income for work that is not represented by immediate sales.

Salary Combined with Bonus.—This plan is one used by many enterprising organizations. It possesses the lure of adventure—a chance for unusual reward. The bonus is earned by accomplishing some definite task, or several tasks, such as a given number of orders, a stated total of gross business, a percentage of collections, and the like.

Task-and-Bonus System.—This is similar to the system just described, except that there is no fixed salary. The Remington Typewriter Company and the Beech-Nut Packing Company use this method. It may provide a better rate for calls on new prospective customers than for visits to old customers, or second or third calls. In effect it is, of course, commission compensation but calls for more specific performance that can be regulated.

John M. Bruce a well known sales engineer, devised and installed the task-and-bonus system for paying the salesmen of the Remington Typewriter Company.

The basic idea of the plan is to stimulate the salesmen to do, and keep on doing, the things that will result in a maxi-

mum amount of profitable business, just as the sales manager would if it were possible for him to follow each salesman and direct his work for him from hour to hour.

This is accomplished by analyzing the steps that go to make up a sale and paying a salesman for taking those steps, as well as for the completed sale. Of course, the total cost is all carefully worked out and is held within a limit that is profitable.

Mr. Bruce gives an amusing illustration of how the plan worked. He saw the first trouble was that the salesmen did not call on enough prospective customers, so he introduced the plan of paying 10 cents for each call on a new prospective customer when the call was properly reported, subject, of course, to check and inspection.

One salesman in Louisville who on account of his meager sales had been "hanging on by his eyebrows" for six months, saw in this payment for calls a chance to earn a good deal more than he had been getting as his single drawing account. He started out and actually called on 80 people a day, going to the top of each office building in his city and working down, office by office, and keeping at it until he had made \$8 each day. He was not a good salesman, but he did make the calls and he did talk Remington typewriters in 80 offices each day. He sold only one typewriter the first week. The payment for calls added to the payment for that sale made it prohibitively expensive—as was pointed out by the accounting department.

Mr. Bruce, however, insisted that as the calls were being made the results would come—and they did. People on whom the man had called began telephoning and asking to have him sent back, as they really wanted a typewriter; and the volume of sales began mounting. And they were straight cash sales, not exchanges of old machines for new. That salesman sold 35 machines in the first month and has been one of the leaders ever since.

Mr. Bruce's theory is that as no one can catch a disease without being exposed to it, the oftener a salesman exposes himself to a sale, the oftener he will "catch" the sale.

The result of the application of this plan was to turn the loss the company had been making into a handsome profit, and, at the same time, it gave the salesmen substantial incomes as a reward for their increased efforts.

Drawing Account, Based on Sales, Profits or Bonus.—While this plan is essentially a commission plan, it assures the new salesman an advance on his future earnings. The amount the salesman is allowed to draw on future salary should be enough to enable him to meet living expenses, or to tide him over a lean period in his selling experience.

The Point System.—The point system is a carefully worked out series of credits for various kinds of efforts or records. Its value lies in the fact that a salesman increases his earnings by doing exactly what his firm requires. Many sales managers believe that this system offers the fairest way of arriving at just compensation and a lessening of inequalities.

George Landis Wilson, in December, 1922, *Sales Management*, while explaining that no set of conditions that might be put down is likely to be just right for any one business, suggests the following outline as a scientific system of compensation, based on the point plan:

1. For mere presence on the job, a nominal salary at a uniform rate for every man, young or old, new or seasoned; say \$20 or \$30 a week.

Then, he suggests bonuses for current performances, according to the following schedule:

2. For each day actually out in the territory, \$1
3. For each card report of call promptly mailed, 10 cents.
4. For each order personally taken, any size, any line; say 50 cents.
5. For each new-customer order personally taken—any size, any line—\$1.

Further, as a bonus for annual sales in territory assigned—direct and indirect—as related to established quotas by products, which rate might vary for different lines, if margin of profit or sales resistance were radically different, Mr. Wilson suggests the following:

6. On each line as soon as some mark—say 60 or 80 per cent of quota therein is reached—a bonus of 1 per cent.

7. When 100 per cent of quota on any line has been reached, a bonus of $1\frac{1}{4}$ per cent.

8. When 100 per cent of quota on all lines has been reached, a bonus of $1\frac{1}{2}$ per cent.

Carrying the thought still further, and following one aspect of merit systems—such as used by railroads—set up a conditional credit of perhaps 200 points as a basis for recognizing carefulness, loyalty and industry. Against this, charge demerits by points, as follows:

9. Violations of instructions, charge 1 to 10 points.

10. Wrong routings, charge 1 to 3 points.

11. Bad contracts, charge 5 to 50 points.

12. Incorrect instructions on order, charge 2 to 20 points.

13. Bonus for each point remaining at end of year, \$1.

A system of merit marks can be gradually developed to care for services of a voluntary nature—services which perhaps cannot readily be given positive valuation like the routine work required of men in the field. These serve as an offset against demerits and reduce the original grant of 200. Typical examples of such services are:

14. Report of tested successful method of securing interested attention, allow from 3 to 10 points each.

15. Successful method of meeting specific objections from buyers, allow from 3 to 10 points each.

16. Successful method of closing some type of order, allow from 3 to 10 points each.

17. Method of reducing or eliminating some sort of expense, allow from 10 to 50 points.

18. Constructive suggestion for changing package to please more dealers, allow from 5 points up.

19. New type of prospective buyers found for some line and definitely reported, allow from 5 points up.

20. New use for product reported, allow from 5 points up.

21. Forestalling loss of money because of change in credit standing of debtor, allow from 5 points up.

22. Any unique display of initiative for the benefit of the house, from 5 points up.

Commenting on his suggestions, Mr. Wilson says:

It will be noted that all of the regular credits are reduced to a basis of routine count and clerical work under established rules, so that no element of personal judgment is involved in keeping the records.

The point system of recognizing merits and demerits is set within moderate limits, so as to secure a reasonable approach to uniformity in its application to different individuals in a large group. The field

man knows that he cannot lose more than the conditional credit of 200 points, even if the worst happens. It is radically different from a system of "fines" or "chargebacks" for errors.

Dictaphone Executive's Study of Plans.—C. K. Woodbridge, president of the Dictaphone Corporation, has summed up interestingly in a bulletin of the Taylor Society (Vol. VI, No. 4) the results of a review of compensation methods used by some forty representative firms that maintain sales forces.

Mr. Woodbridge holds that "The individual standard of living, the ability of the man, the job to be performed, and the value of the accomplished task are the factors which should determine the amount and form of the compensation."

The plans Mr. Woodbridge found to be most frequently used are those in the following list. In compiling this list, the Dictaphone executive refers to research work of the Dartnell Corporation and to a review in *Printers' Ink*, as well as to his own long experience as sales manager, and his general observation:

1. **Straight Commission.**
2. **Sliding Commission:** A commission the rate of which automatically increases as predetermined sales goals are reached.
3. **Group Commission Plan:** Merchandise divided into groups, each paying a different commission. Commission plans are extensively used. It is the opinion of many that they place the sales expense and risk on the other fellow. In practice, they develop a tendency to oversell. Cold canvass for prospective buyers is neglected. The relationship between salesman and house is not close. Too much money is made in boom times too little in hard times.
4. **The Straight Salary:** This plan is probably used by 50 per cent of all concerns. The man with the fixed income, having faith in his house and a quality product, works as a partner in the business and increases good-will for his firm. It lacks, in the minds of a great many, proper incentive for better than ordinary performance.
5. **Salary and Commission:** This is a combination of the two most widely used compensation plans. It is favored in times when selling is difficult. By it a salesman is supposed to profit through his industry.
6. **Salary, Expense and Commission:** In this salary and expense are deducted from commission earned on sales, and if there is an excess it is paid to the salesman.
7. **Salary and Commission on Sales over a fixed quota or task (sometimes called salary and bonus):** Making quota is an exciting game, and

if the rules are fair and the quota not unreasonable, it is entered into with great enthusiasm by salesmen.

8. Salary, Commission and Bonus: This combination introduces the bonus in recognition of excellent or superior service. The introduction of an extra allowance for excellent or superior service has created many forms of bonuses. These include:

(a) *Bonus on special features:* An amount paid for special accomplishments, such as selling package goods more than bulk goods, or any accomplishment of special profit.

(b) *Bonus on net profits:* A percentage on different classes of sales, according to profits. For instance, a certain per cent on strictly city business, a little more on suburban, and the maximum on country business.

(c) *Bonus on total sales:* This encourages volume-building, sometimes at the expense of profit.

(d) *Bonus on quota excess:* A quota or task is assigned to each man, which represents what he ought to sell normally, and then a bonus is paid for all sales in excess.

(e) *Bonus on low sales costs:* A reasonable cost of selling is established, and a bonus paid to salesman if his cost is lower.

(f) *Bonus on service to house:* Paid on estimate of constructive value of salesmen's work.

(g) *Bonus on increased efficiency:* To correct weakness and develop sales ability.

(h) *Bonus on promotional work:* Paid for dressing windows, developing new dealers, selling "hard nuts," and the like.

(i) *Bonus on branch-office sales:* Bonus paid to branch on total sales over quota, and prorated among salesmen. This promotes cooperative work.

9. Task-and-bonus systems: Used where the salesman must spend most of his time in preparation for the sale and in follow-up work afterward.

10. Point system of measuring the value of sales work: A certain standard is established which is the amount per sale. Thus, if one point is fixed at .004 on the dollar, to make \$20 a week, the salesman must have 5,000 points.

11. Rating plan: This is used as a reward and incentive for the salesman's improvement. The considerations may include:

Aggressiveness (shown by new accounts opened), Industry (shown by number of calls made, etc.), Integrity (indicated by letters of complaint, etc.), Economy (indicated by expense account), Salesmanship (determined by large-profit sales). Of course, this system is used in connection with payment of salary and commission.

12. Sales and Service Quota plan of compensation:

(a) This is based on previous years' sales or some other method.

(b) A point system by which actual sales and service are translated into credit points.

(c) A method by which the credit points are translated into earnings.

(d) A plan for paying to the salesman the difference between his total credit points (actual sales and service performed) and the total debit points (money in salary and expense allowance advanced).

13. Salary and percentage of saving plan: In this a percentage figure is set for a territory. By increasing sales or decreasing expenses, the salesman can increase his earnings.

Of the 40 concerns whose methods were reviewed by Mr. Woodbridge, 25 pay straight salaries, 19 pay straight commissions, 13 allow drawing accounts, and practically all believe that the salesman should have a regular allowance for living expenses.

Argument for Compensation Based on Gross Profit.— J. P. Goodwin, member of a firm of public accountants and management engineers of New York City, argues, in an article published by *Administration* (June, 1922), that salesmen's commissions should be based on gross profits rather than on total sales.

This writer holds that where the commission plan is used it is worth while to make a careful study to learn if proportioning commissions to the profits will not make a more satisfactory arrangement for every one concerned than would the traditional method of basing commissions on percentage of gross sales. He made the points that the method he advocates:

1. Tends to stabilize prices.
2. Obviates the demoralizing of salesmen during periods of advancing prices.
3. Prevents a large disparity in earnings during periods of depression.
4. Multiplies salesmen's potentiality in proportion to the increase in rates, without increasing the cost of his services; and that, as applied to industries with exchange features, such as the automobile industry:
 - (a) It is basically scientific in that it measures the salesman's effort both as purchasing agent and as salesman.
 - (b) The full potentiality of the salesman is directed toward reduction of losses on trades, or exchanges.
 - (c) It tends to reduce the inventory of used models.
 - (d) It is more profitable both to the agency and the salesman by welding their interests.
 - (e) It places the salesman in a more dignified, and at the same time, more responsible position.
 - (f) It promotes cooperation between the new and the used model departments.

Mr. Goodwin uses the automobile business as an illustration and sets forth, that the great problem in the automobile industry is the used-car exchange. The same situation holds, in a large degree, with typewriters, adding machines, tires, pianos, scales, sewing machines and cash registers.

Automobile salesmen are usually paid on a commission basis, with or without salary, the commission being based on the selling price of the car. In the case of an exchange, the commission is sometimes based on the amount of cash, but rarely on the amount of gross profit made in the deal. As a result, the industry is glutted with large inventories of used cars, many of them unmarketable, except at a great reduction from the amount allowed for them in the exchange. These cars have been taken in trade by salesmen employed on a sales commission basis, primarily to sell new cars. And the salesmen carry no part of the loss of millions in exchanges, annually borne by the automobile sales industry.

Mr. Goodwin takes, as an example, a case where the salesman's commission is 5 per cent on the gross sale and argues that a better arrangement is that of paying 50 per cent of the net profit. Suppose the customer demands \$400 for his used car, when all that the automobile agency can get for it is \$300. Under the old plan, this difference of \$100 in allowance would cost the salesman only \$5 of his commission but the car agency would sustain a loss of \$95, causing not only friction between new-car and used-car departments, but resultless effort, lost money and heavy inventory of used cars. Under the method suggested, namely, basing the commission on the gross profit, the situation is very different. The extra allowance would cost the salesman not \$5 but \$50 in commission, and the agency loss would be reduced from \$95 to \$50. Such a change of compensation would discriminate between a good and a poor sale, and also between good and poor salesmen. Good salesmen would earn more, the increase in their commissions coming out of what is now lost through excessive exchange allowances.

How a Franklin Automobile Distributor Regulates the Problem.—According to an article in the *Motor World* of August, 1922, the salesmen of the Ostendorf Motor Car Cor-

poration, Franklin distributors, of Buffalo, N. Y., have to share with the company any losses on used cars accepted in trade. Ostendorf salesmen cannot collect any commission on the sale of a new car on which a used car is accepted as part payment until the used car has been sold. This makes them exceedingly cautious in appraising used cars, so that they may be sold at a low enough figure to prevent the house from having them on hand a long time.

The Ostendorf plan works in the following manner: a car listed at \$2,000 is sold, with the factory discount of 20 per cent, to the dealer. The gross profit on the sale is \$400. This gross profit is distributed as follows: \$200 (10 per cent of list price) to the company, \$100 (5 per cent of the list price) to the salesman's commission account, and the remaining \$100 to the sinking fund account of the salesman making the sale.

If a used car has been traded in for a new one, payment of the \$100 credited to the salesman's commission account is withheld until the used car has been sold. There is a commission of 5 per cent paid on the sales of used cars. This commission is charged against the sinking fund account of the man who took the used car in trade. If a salesman sells a used car which he traded in himself, then of course he gets the 5 per cent on the used-car selling price credited to his commission account.

Losses incurred in selling a used car are charged to the sinking fund account of the salesman who took it in. If these losses exceed the balance in his sinking fund account, the excess is charged to his commission account. The salesman has a liberal drawing account and his commissions are settled quarterly.

If a salesman has a balance in his sinking fund account at the end of the year, he retains half and the company receives the other half.

To illustrate the operation of the plan: Green sells \$100,000 worth of new cars in the year. His commissions, at 5 per cent, amount to \$5,000 and his sinking fund account receives a credit of \$5,000. Suppose he takes in used cars that sell in all for \$30,000. On this amount the selling commission at 5

per cent brings \$1,500. This amount is charged against his sinking fund account, leaving \$3,500 balance, and the \$1,500 commissions on the used cars would be added to Green's commission account, giving a total of \$6,500. If no losses are incurred on the used car he takes in, he gets \$1,750, half of the balance (\$3,500) in the sinking fund account. His commission account now amounts to \$8,250 on his sale of \$100,000 worth of new cars and \$30,000 worth of used cars.

Wholesale Druggists' Views of Compensation Methods.—The 1922 report of the committee on salesmen and selling of the National Wholesale Druggists' Association makes this comment on the question of remunerating salesmen:

The first outstanding feature of our investigation is the fact that a great many more houses than formerly are using the plan of paying their salesmen on a basis of salary and expenses, with commissions or bonus. The reports of past committees show that salary and expenses was the method most generally used.

There seems to be a great variety of views on this very important subject. Several of our members feel fairly well satisfied that the plan of a quota, with additional remuneration for sales of specialties and more profitable lines, is the proper one for securing interest, enthusiasm and concentrated energy on the part of the salesmen. It seems to us that this plan has not been tried long enough to bring out all of its advantages and disadvantages. We, therefore, cannot as yet come to you and say that it will accomplish all that is desired. We do feel, however, that salesmen should be remunerated upon the most equitable basis, which no doubt is upon their earnings. It is up to each member who is convinced that this analysis is correct and proper to work out plans or methods to accomplish this at the least expense.

A Food Manufacturer's Method of Compensation.—A manufacturer of food products who markets his goods both in bulk and in branded packages has adopted the following schedule of compensation as being the most practicable for his purposes:

1. A uniform drawing account of \$20 a week.
2. A commission of 3 cents a pound on bulk sales.
3. A commission of 5 cents a pound on sales of branded goods.
4. No commission, however, on branded goods unless they reach a certain number of pounds a week.

System, commenting on this plan of payment, says:

This is really an excellent plan for the stated requirements, because it emphasizes the firm's desire to give branded goods the preference, expressing the desire in dollars. It goes a step further, in that it tends to prevent a salesman from persisting in selling the less profitable line, by penalizing him in his commission on the branded line. Obviously, if a salesman neglected the branded lines so that his sales in them became negligible, his position would be forfeited.

This firm started the plan solely for the use of salesmen in New York City. It worked so well that it was extended to all city salesmen and then—with modifications to meet road conditions—to its outside sales force. It was and is successful because it is fundamentally right. It is not, however, a complete solution for concerns in general.

When the Bonus System Hinders.—To show the variation of experience, one sales manager, in relating his experiences, has traced the dissatisfaction and ultimate loss of three of his salesmen to the bonus plan. This concern's bonus is paid on profits from the salesman's territory. During 1920, when it required little effort to sell, the men were paid large bonuses. In 1921, when real salesmanship was put to the test, and even then it was hard to make sales, the men failed to receive any bonus checks, and they became disgruntled, feeling that the firm was unfair to them.

(*Sales Management*, February, 1922)

The Wooltex Company's Analysis Method.—Because the accounting department of the Wooltex Company, Cleveland, Ohio, has such detailed records of the cost of all the factory's products, it can definitely inform the sales department that certain goods are being sold at a profit, others without profit and still others at a loss. It is, therefore, in a position to consider intelligently the question: "Should the basis of remuneration for the salesman be the same on unprofitable merchandise as on profitable merchandise?" The sales department knows that there must be genuine incentive for alert sales work.

In the attempt to find a solution of this problem, the Wooltex Company has adopted a distinctive plan. The director of sales, quoted in *Printers' Ink*, explains that:

The various styles and models of our garments are divided into three major classifications, upon each of which is paid a definite commission for sales. The management determines into which class each type of "Wooltex" garments shall go. This division of garments is based on the recommendation of the purchasing, the manufacturing and the style departments, on the commitments that have already been made, and finally on the amount of effort which is necessary to sell the merchandise. This makes three important classifications, each with its own special commission for salesmen.

This company believes that a salesman should be paid commensurate with his services: Therefore, the garments in the first division afford the smallest commission, and the second and third groups, successively, greater commissions. This first division includes the large class of easy-to-sell, popular goods. Extra percentage is paid to each man making the quota of the number of garments sold in each town or city he covers. The quota basis is worked out on an estimate of the number of families in a community of 5,000 inhabitants. Seventy-five garments should be the lowest number taken by that locality, while in a place of 25,000, 375 garments should be the lowest number sold. As the garments sell at retail for \$55, \$68 and \$85, only families with an income of at least \$1,800 are worthy of consideration. Another factor, before absolutely fixing the quota to be made, is the average amount of annual sale for a period of three years. If an increase is necessary over the existing minimum shown by analysis of the sales for that period, it is so made as not to be detrimental to the salesman's opportunity for earning the bonus.

It is the duty of the accounting department to figure the commissions and bonuses due the salesmen upon whose record are indicated the number of garments in the three divisions mentioned, the value of them in dollars; the total number of garments sold, the number of new accounts obtained and the amount of advertising ordered by each merchant. Every six months each salesman receives a report of his work in every place in his territory. It contains the figures of the net shipments of garments in each division, total value of sales, total number of garments sold, information on the extent of dealer-cooperation, which accounts are new, and

the bonuses credited. Such a report is a self-revealing analysis of the salesman's work.

Plan of Manufacturer of Undertaking Supplies.—One of the largest manufacturers of undertaking supplies describes his plan in this language:

Compensation paid our salesmen is based on the net profits made or earned for us by each salesman rather than on the volume of sales.

Our product embraces a variety of commodities, such as automobile hearses and ambulances, coffins and caskets—both wood and metal—coffin hardware, burial garments, casket linings and undertakers' supplies in general. These are graded and classified according to the percentage of net profit on each class.

Each salesman is credited with a commission, based upon the percentage of profit to us on each class of product sold. For example, certain classes of wood coffins are credited with a 2½ per cent commission, while others earn a 10 per cent commission, depending upon the margin of net profit to us on each class.

Each of our salesmen is paid a guaranteed minimum salary, together with all traveling expenses. This salary, together with the traveling expenses, becomes a charge against each salesman as his cost of earning the commission or credits credited to him.

At the end of the fiscal year, should a man's total commission credits exceed his total of guaranteed salary and traveling expenses, such excess amount is divided between the firm and the salesman. On the other hand, if his credits earned do not exceed his guaranteed salary and traveling expenses, no further commission or bonus is paid to him.

An analysis of such salesman's record is then made, for the purpose of bringing out the reasons for not earning commissions in excess of his total cost. Unless he can earn credits in excess of his total guaranteed salary and traveling expenses, he is considered an unprofitable salesman.

Briefly, this method of compensation affords each salesman opportunities for increasing his yearly earnings or compensation in one or all of the three following ways:

Increasing total volume of sales so that total commissions will exceed his total cost.

Increasing the quality or grades of commodities, so that total commissions will exceed his total cost.

Reducing his cost of traveling the territory, so as to minimize his total cost of earning his credits.

How a Real Estate Firm Does It.—A prominent real estate concern, referred to in an article in *Salesmanship*, believes that salesmen should pay their way until they become reasonably proficient.

Payment with this concern is on a commission basis. At the outset, in the selling of improved property, 40 per cent of the gross profit received is for office overhead, 45 per cent for the salesman and only 15 per cent for the district manager, no matter how important a part he may have played in the sale.

When a salesman has earned \$500 in commissions, he receives 50 per cent of the gross profit of every sale, the district manager receives 10 per cent, and the office, 40 per cent. When the salesman has reached the \$1,000 mark, he receives 55 per cent and the district manager only 5 per cent.

This firm buys real estate outright and resells.

General Tire and Rubber Company.—The General Tire and Rubber Company, of Akron, Ohio, pays tire salesmen according to the salary-and-bonus plan. A new salesman is assigned to undeveloped territory covering one or more states. The number of car registrations in cities and counties and the record of increase determine the limits of the territories. The number of cars in a given territory is the basis for sales quota.

For the first year, the salesman's business may amount to \$50,000, but in the second year the yield may be \$500,000. When business develops at such a rate, a division of territory is made, a new man taking half. This gives the new salesman and the original salesman a better chance to cover the smaller towns. Because of this continual re-division of territory the commission plan is not feasible. Further, it has been learned that a salesman on commission dislikes to turn over to some one else a dealer that he has been cultivating. Hence, a fixed salary and yearly bonus has proved more practical for this firm. The amount of the bonus is determined by:

1. The amount of new territory opened up.
2. Character of the agencies secured from a sales point of view.
3. Credit record, or minimum amount of loss through bad debts.
4. Minimum loss of dealers to competitors.

Niagara Paper Mills.—Our salesmen are all on commission. We advance only enough money to pay expenses. On each Monday morning we mail a check for commission on all orders received up to Friday night. We pay commission on every order, whether received direct from the customer by mail, or taken by the salesman. But we pay commission only on orders from customers called upon. If a salesman has called on a prospective customer but has failed to secure an order and an order is mailed to us direct at a later date, we credit the salesman's account, provided he has notified us of the call.

Summary of American Radiator Company's Methods.—The system of compensation followed by the American Radiator Company is that of paying a commission on all business coming from the salesman's territory, whether the orders are sent by him or reach the office by mail, telegram or telephone. Commissions are not reduced because the salesman makes a large salary, but often a territory is reduced, after consultation with the salesman, in order that he may do more intensive work.

The compensation system is the "Task-and-Bonus" plan. The salesman is allowed a drawing account of \$250 a month, plus expenses. To earn this \$250 a month through commissions is the task. All commission earned in excess of the drawing-account allowance is a bonus. It is stated that some of the men run as high as \$600 a month.

When the salesman fails to accomplish his task in any given month, his drawing account is not diminished but the deficit is charged against him, so that it is made up out of his bonus later. Deficits are allowed to continue, unless it becomes obvious that a salesman is not equal to the requirements of his territory. Thus, the system works automatically and is a check-up on territory.

"Bogey" Plan of the Wahl Company.—The Wahl Company, manufacturers of the Eversharp pencil and the Wahl fountain pen, describe its compensation system for salesmen in the following language:

Our compensation plan is based first on the cost of selling that we want to attain. An estimate of the probable sales in the territory is made, using the sales of the previous year and the potentiality of

the territory as a guide. Two-thirds of this sale is used as a "bogey" and a proportionate drawing account allowed the salesman in the form of salary. A commission is payable to him just as soon as his "bogey" has been reached on the fifteenth of each month for the amount of the excess. This, as you will see, throws the commissions into the latter part of the year which is very desirable for us, because ours is a seasonable business and it is very necessary that our salesmen stay on the job until the last minute. It would be disastrous for us if the salesman worked nine months, or up to the first of October, and then quit. We could better dispense with his services during the first nine months than in the three last months of the year. We do not, of course, employ men who would be likely to take advantage of this situation, but it is always possible that salesmen will construe our necessity as their advantage, and make use of it.

Under our plan, they have to work right through the latter months in order to get their commission. So far, this has worked out very well with us.

Giving Salesmen Greatest Credit for Goods Hardest to Sell.

A wholesale drug concern of New York City sells to the trade two widely advertised products manufactured by itself, as well as a number of fairly well known patent medicines. It also makes a number of goods known as "factory goods" (which are unadvertised), sold both in packages and in bulk. The firm's largest profit is on the unadvertised factory goods, with general merchandise ranking second, sundries third, and patent medicines last. Different percentages are paid, the group requiring the greatest effort bringing the salesman his best percentage. In making up its reports, the salesman's monthly work is rated as follows:

Salesman	Patent Med.	Sundries	Factory Goods	General Mdse.	Totals
Silas Smith.....	\$3,000	\$1,000	\$2,000	\$2,000	\$8,000

This report does not include the two well-advertised specialties, because the salesman's compensation does not depend on these. If he sells only these specialties and the patent medicines, he is regarded as an order-taker and not as a

salesman. The average monthly sales of each of this firm's salesmen runs from \$3,000 to \$6,000.

Other Well-known Companies' Methods.—The following review from *Advertising and Selling* and other business magazines indicates the main features of compensation plans used by still other representative firms.

The Salada Tea Company sells to jobbers and dealers. Its salesmen are paid a salary, plus a bonus based on the minimum of 10 per cent over the previous year's sales and increasing a specified amount for each per cent over the minimum.

The Cleveland Tractor Company sells to jobbers. Salesmen's pay is calculated so as to give a monthly bonus, based on a sliding scale and increasing as the volume of business increases for the year.

The Sturtevant Company pays salary and bonus, based on volume beyond a set figure, with extra reward for "clean contracts."

E. C. Atkins & Company make tools, saws, machines and knives, which are sold to jobber and dealer. Salary is based on a fixed quota, and bonus depends on the kinds of goods sold and class of trade called upon.

The Pyrene Manufacturing Company pays a straight salary and special compensation, according to length and quality of service.

The Shredded Wheat Company's general sales agents receive salary and bonus, but the salesmen calling on wholesale grocers receive only salary.

Burroughs Adding Machine Company beginners receive straight salary. The more experienced men get salary and commission, or straight commission.

The Beaver Board Companies pay commissions once a year, based on the established quota of per capita consumption.

Earl & Wilson guarantee drawing accounts of certain amounts per month, and over this amount a commission twice a year.

Joseph & Feiss Company, manufacturer of "Clothcraft" clothes, gives straight commission and expenses.

The National Cash Register Company gives territorial sales agents straight commission. The salesmen under terri-

torial agents are paid according to various plans that are good under certain local conditions, the experience of the salesmen, and so forth.

It is the practice of the Certainteed Products Corporation to compensate its salesmen on the salary-and-expense basis entirely. This company does not believe that anything is gained by assigning a fixed quota for each salesman. As a man becomes more valuable and a better producer, his salary is raised.

The Barrett Company uses the bonus system, not as a permanent feature, but as a temporary incentive.

The idea underlying the bonus system is this: the company may find that some one of its products, such as Tarvia, is not showing the results in sales that it should, with the result that the warehouses are becoming overcrowded with this particular product. With the view of relieving this undesirable condition, the company offers a bonus of a certain amount for each barrel of Tarvia sold during a stipulated period. The Barrett Company believes that it is not desirable to offer a bonus for a longer period than a month, though the plan might be continued longer than that if conditions make it desirable. When a bonus plan was extended, it was always with the understanding that the company reserved the right to end the bonus at a certain hour of a given date.

Credit for Mail-orders.—A great many firms pay their salesmen commission on mail-orders, just as they do on personally solicited orders. Their contention is that the salesman has probably done the missionary work and is entitled to the credit if the merchant likes the goods so well that he is willing to write or wire for them. There is also the feature that a mail-order represents just the amount a dealer wants—will not overload him. Therefore, the mail-order is something to encourage.

If a salesman gets no commissions on mail-orders, he may be tempted to ask the dealer to hold up an order until he calls. This the merchant may agree to do in order not to seem unaccommodating to the salesman. Or he may change his mind and send that order by mail to a firm that *does* give its salesmen credit for such orders.

On the other hand, some firms hold that no credit or commission should be given for mail-orders from the salesmen's territories. They argue that they pay their traveling men to make calls and get orders at once, and if they do not get them, they are not performing thoroughly.

To encourage better cooperation between sales and advertising departments, one Chicago firm pays 60 per cent of the sales commission on any mail-orders from prospective customers reported by salesmen.

(Summarized from *Printers' Ink*)

CONTRACTS WITH SALESMEN

In the field of retail selling, it is not the custom to make regular contracts with salesmen. Many manufacturers and wholesalers prefer written agreements with their men, believing that this lessens the chance for misunderstanding and also enables the employer to close an engagement without entanglements, if it should be found desirable not to continue employment.

The following recommendations are offered by the Dartnell Corporation, of Chicago, after a review of the salesmen's agreements in use by a number of organizations.

Daily Report Clause.—Many organizations devote a paragraph of their contract to the subject of salesmen's reports. This section of the agreement states frequency with which reports must be made and points out that failure to make a report may be considered absence from duty, with resulting loss of salary.

Collection Clauses.—The Carey Salt Co., Francis H. Leggett Co. and others, include in the contract what is expected of the salesman in the way of cooperation with the credit department. To be complete, clauses of this kind should fully cover the matter of how collected money is to be handled, adjusting misunderstandings, mollifying dissatisfied customers, and so on.

Forfeitures When Salesman Leaves.—This is a subject that has caused much trouble in court. Many companies, believing that they have a thorough understanding regarding compensation and forfeitures in case the salesman should voluntarily resign, or be discharged, have found out too late that something is lacking in their understanding. The only safe way, regardless of the honest inten-

tions of salesmen and the house, is to have an attorney construct such a clause.

Oral Bonus Arrangement.—Such an oral arrangement is likely to cause difficulties. Most concerns have their plans in writing and have them examined by an attorney. However, it is not absolutely necessary to include the bonus arrangement in the salesman's contract. This practice of omitting bonus arrangement is followed by one well known firm.

Drawing Accounts.—Many companies are advancing money to salesmen, chargeable against commissions, believing that such a debt holds legally. An agreement often makes such withdrawals compulsory by law, irrespective of whether commissions have accrued, as is shown by such court decisions as *Schwerrin vs. Rosen*, 45 Misc., N. Y., 409. The proper kind of clauses covering drawing-account arrangements will avoid difficulties.

Payment of Commissions.—The time of payment of commissions should be specifically stated, and matters such as bad debts, allowances and rebates to customers, returned goods, cancellations, discounts, and so on, should be taken into consideration. Whether commissions are payable on orders upon receipt, delivery or after collection of account, should be stated.

Conditions of Termination.—The agreement should state on what conditions an agreement will terminate and what notice. Any contract is terminated upon the death, or permanent disability, of the salesman.

Forfeitures by Salesmen Who Quit.—The following paragraph indicates how a contract may cover forfeitures by salesmen leaving employ:

"If, for any reason, salesmen leave the employ of the company, only one-half of the specified commission shall be paid on any accounts which have not been delivered. Full commission will be paid only on sales as they actually show on the ledger at the time the salesman leaves the A.B.C. Co."

Modification or Rescission of Contract.—A contract may be modified or rescinded by consent of both parties or provided a sufficient consideration moves between the two parties. However, in case the company wishes to reserve the right to make alterations on its own initiative, this should be stated.

Renewal or Continuance of Employment.—The law holds that when the salesman continues in his employment after the expiration of the period of his contract (or oral agreement), the presumption is that the employment is continued on the terms of his original

contract. The termination clause should take care of this matter.

Mergers or Other Changes.—When the house makes certain changes in management, agreements or contracts should be renewed. Previous arrangements are automatically cancelled.

SECTION XII

QUOTA SYSTEMS AND STANDARD TASKS

The subject of the proper quota of work for the salesman, or the establishing of a standard task, is one that is treated in the text of several Sections of this volume. It is hardly possible, for example, to consider compensation plans, sales contests and the outlines of organizations and sales campaigns without bringing in some aspects of quota principles. Some fundamental principles are nevertheless analyzed in this Section.

Research and Analysis, Section V, should be read in connection with this Section. Reference should also be made to Section XXIII, where the market-study methods and quota-establishing methods of the Palmolive Soap Company are described in connection with an outline of the Palmolive Company's entire selling program.

The Scope of Quota Plan.—In a document of the Taylor Society, the writer holds that "Territory valuation" is the better term to use in a study of quota methods, for the value of the salesman's field—what it has produced and what it should produce, considering all the conditions—is the real principle or question.

Quota calls for a consideration of:

1. Production volume of the commodity.
2. Past sales records, current market and the future possibility or potentiality.
3. Records on competitive products.
4. Number and location of prospective purchasers, perhaps analyzed as to classes. This involves the distances between prospective purchasers, because the salesman with 100 prospective purchasers to the square mile has a different opportunity from the salesman who can reach only 12 prospective customers in a square mile.

Quota is ordinarily set as a minimum, so that there is a possibility of exceeding it. Normally, a yearly quota is

fixed at an advance over a previous year's sales—the percentage of advance depending on all the conditions that affect the business. These percentages run from 10 to 100.

Study of Uses of Product.—What farmers are doing with a product like Portland cement must be ascertained and reviewed before any scientific quota could be determined on rural business for a cement company. Census data will indicate the per capita consumption of a product like cement but will not show the percentage used by the farm trade, nor will it indicate accurately what the product is used for, except with respect to such large uses as street and road work. Frequently farm bureaus and the statistical departments of farm-paper publishers will contain fairly accurate information on such a subject. Country building-material dealers can contribute useful information.

In establishing a quota for an article such as a washing machine, data should be assembled separately for sales of electrically operated machines, and farm homes should be grouped separately from town and city homes.

Study of Territory.—In both of the examples just cited, study of territorial tendencies will show marked differences and consequently make necessary different quotas or tasks. The salesman in a mountainous, unprogressive section that is sparsely settled cannot be expected to make a record that compares favorably with records of other men in progressive, prosperous, thickly settled communities.

The allotment of territory of a well known manufacturer of roofing material and kindred products illustrates this point. A certain state is taken as a basis and, with this as a starting point, the assignment of territory is made on the basis of population, coupled with the comparative building activity in a given community.

For example, the building activity of the state of Washington may be at such a low ebb that it would not pay to have one man work this territory, while the building activity of Pennsylvania might be such that it would require the time of from four to six men to work it properly. Syndicated trade reports are used as a means of determining the amount of

building going on in different parts of the country, and this information is supplemented by reports from local salesmen.

If a territory in charge of one man develops to such an extent that he cannot properly work it, this original assignment is divided and another man put to work. Vice versa, if business from another district dwindles, because of conditions beyond the control of the salesmen, the staff of salesmen may be decreased in that section. This method enables the manufacturer to cover his field of operations properly at the lowest expenditure of salesmanship expense, while at the same time allowing for a concentration of effort in certain fields, should local conditions make that advisable.

As pointed out by *Printers' Ink*, these conditions also come in for consideration in studying and assigning territories:

1. White population
2. Wealth of community
3. Country conditions
4. City conditions
- 5 Actual results from a territory
6. Kind of salesman
7. Type of sales supervisor.

There are sections, for example, where colored population has good buying power, but it is wisest to base territories upon calculation of white population. Where a large element of the population is made up of any race of low average intelligence or low buying tendencies, this condition must be given due consideration.

Evenly distributed wealth represents better buying power than a community of equal total wealth possessed by a few individuals. Good farming sections show excellent buying power for a great range of commodities—better than more closely populated sections.

In general, there seems to be too much concentration of sales forces upon city work, where competition is very keen.

For country territories, it is best to choose men who know small-town life and who are not averse to working such territory.

Division of Territory.—It is customary to use maps, national, state or city, and to use natural divisions, such as state or

county lines, rivers, and prominent streets as dividing lines; that is, where it is essential to have strict division of territory. In a business such as life insurance, it may be very difficult to have these strict divisions, because a man may live in one section and work in another.

In dividing the territory of a large city, the block method is used largely. After a block valuation or estimate is arrived at, several "lean" blocks may be grouped to balance a "fat" block.

Accurate Information.—Unless salesmen are impressed with the fact that the survey on which quotas and tasks are based is a true reflection of conditions, their performance will not be wholehearted. When the record is accurate, the salesman will feel that his quota is a true barometer or measure of what good work by him will accomplish.

Necessity for Good Records.—Quota records should show weeks or months in succession, so as to bring comparisons sharply to the attention of both men and management. Charts are very useful in this kind of record, because they show graphically the rise or fall of a record and give spur to effort.

Keeping Charts before the Men.—Few systems can be adopted at a meeting and then left to work themselves out. They should be planned as scientifically as possible, with proper emphasis on every department of sales effort, and then charted with every rule and regulation carefully covered in writing. This will enable the sales manager to keep the program constantly before his men and to call attention to any features of a salesman's work that he seems to be neglecting. Such a system will provide varied competition. One man may be the "star" man on window-displays or collections where another may earn high reward on volume of sales and another on number of calls, and so on.

SOME WORKING METHODS

The following paragraphs cover some useful working methods and interesting experiences in the establishing of quota plans.

Do Not Give Salesmen Too Big a Working List.—If salesmen are overloaded with too big a list of prospective buyers, they

may, in their eagerness to make a good showing, be so hurried or superficial in their work that the results will be anything but pleasing.

The *Talking Machine World* cites the experience of a music jobber in a large city who formerly supplied his outside salesmen with as many as 700 names of prospective customers at a time. The salesmen endeavored to come up to the expectations of their employer by calling on these people in a short time. The number of sales as a result of these calls was so low that the sales manager began to wonder what the trouble could be. He finally decided to experiment by giving each man not more than 50 names at a time.

When this change in policy was put into effect, the salesmen were brought together and the importance of thorough, concentrated selling work was impressed upon them.

The result of this experiment was very gratifying, the monthly reports of the salesmen showing an almost startling increase in sales totals.

Likewise, a manufacturer found that concentrating on the work of securing new dealers in twenty selected towns brought better results from a salesman than when it was pointed out that dealers were needed in several hundred towns and cities in the salesman's territory.

Distribution of Overhead Expense in Quotas.—In order to show the true profitableness of the various assignments, it is necessary to have an equitable division of all the overhead expense on the marketing end of a business. While lean territory may be favored, because of the greater amount of missionary work to be done, the distances to be covered, and other considerations, it is easy to make a mistake in the other direction and charge a profitable territory or agency with too much overhead and make a false showing with respect to the real profit of the organization.

Net profit must, of course, be shown by the deduction of the full list of direct expense chargeable against each territory—such expense as salaries, commissions, traveling expense, etc., (for full explanation, see Section IV on Costs of Selling) plus a proportion of overhead, which can be more equitably determined by "sales valuation" than mere total sales. In

other words, a thousand dollars of business in new territory may represent a considerably higher asset than the same amount of business from territory in which the firm is well established and where sales are produced with correspondingly less effort.

Instance Where Bonus as a Reward for Reduced Expense Was Abandoned.—Bonus used as a reward for economy was found, in the experience of the Apex Electrical Distributing Company, to be based on a wrong principle and accomplishing a wrong result. Therefore, the plan of this organization was changed to focus on sales production. Expense in a sales territory is now definitely planned and regulated from headquarters.

According to the new quota arrangement, the bonus and earnings are based absolutely on the volume of business each man turns in, regardless of the cost of securing it.

Each year, the selling quota is arrived at by making a complete analysis of the United States and Canada. The total selling expense for the coming year is based on the volume of business secured during the preceding year and the aim is to surpass it.

On this basis, the total selling budget for the year is determined. The divisions of this selling budget are: direct selling expense, general sales expense, advertising expense, and general administrative expense.

The total expense budget being established, expense for each territory is allotted for the coming year to provide sufficient money to carry the producing territories on an increase, and to permit the doing of the greatest amount of necessary missionary work in the territories that are not producing the desired quota. It is not expected that the sales expense in every territory will be uniform.

From a sheet drawn up each month showing the total volume of business in each territory, the itemized expense, and what per cent this expense bears to the total business of the territory, each man learns just what his expense should be. This monthly analysis is accumulated and this total shows expense to date.

If the selling expense in a certain territory is too low and there is a conviction that by increasing expenditure through increased man power, or in other ways, a greater volume can be secured, then it is recommended to the man in charge of the territory that proper provisions for further development be made. If the expense is too great, then due consideration is given the matter, but in either case the decision lies with the home office.

At any given time exact expense is known and, with so flexible a plan, changes can be made very readily. With freedom from worrisome consideration of expense, a man in charge of a territory can give his whole energy to sales.

The general selling expense of this concern in the first half of 1922 was given as 4.8 per cent, although in some territories it was beyond 20 per cent.

(Sales Management, June, 1922)

Use of the Point System.—The point system, already described in detail in Section XI, is freely used in making up quotas. Some such unit as \$10 or \$25 is taken as one point of sales. Then points are awarded for other items of the salesman's work, such as securing a new dealer, installing a display, conducting a demonstration, making a specified number of calls for the month, a certain percentage of collections, or some other of a number of requisites of his particular type of work.

One salesman may be required to make 500 points, another 400 points, a new man in poor territory 250 points, and so on.

While in sales work it is the order that finally counts—just as in baseball the only thing that finally counts is the run over the plate—nevertheless there is a growing tendency to give, as in baseball, credit for different kinds of good work done. The fielder who accepts fifteen fielding chances without an error, the pitcher who holds the opposing side down to five hits, the batsman whose timely hit forces runs over the plate and the base-runner who steals successfully, all get credit for their good work, though they may not have been the individuals who crossed the plate with the winning runs.

The experience of many sales managers is that a system of scoring good work and a system of compensation worked out so that each man gets the proper credit for every different kind of work done well, is the ideal method. By this system a standard, or to use golf language a "bogey," is set for each man, so that he not only competes with himself but also with other men. This system usually provides also that a man may win some extra reward by any reasonable amount of good effort in any direction, though he may not do as well as others. Such systems are necessarily more complicated than a straight salary or a straight commission system would be, but they can be kept simple enough to be understood by any intelligent sales organization.

The following may be taken as a typical example of the point system. Customers and prospective customers were divided into the following groups:

1. Active customers
2. Semi-active customers
3. Prospective customers
4. Possible prospective customers.

In order that the salesman may get credit for missionary work that consisted only of calls, points were given for calls as well as for orders. The system of points was the following:

	POINTS
Each call on an active customer.....	10
Each call on a semi-active customer.....	25
Each call on a known prospective customer.....	50
Each call on a possible prospective customer.....	80
Each order from an active customer.....	100
Each order from a semi-active customer.....	200
Each order from a known prospective customer.....	300
Each order from a possible prospective customer.....	500

The actual number of points for these different types of work should, of course, be determined according to the conditions in each particular business to which the system is adapted.

The point system here described gives valuation to calls and orders by number rather than by volume. In this

way the man who is in the territory where the average order is a small one has a better chance to compete with the salesman who is in territory where the orders are larger than he would by the usual system where compensation or a salesman's record depends on the volume of sales. Of course no intelligent reader will draw from this the conclusion that it is always well to ignore volume of sales. In fact, in some organizations using the point system already described, a separate system or method of scoring is worked out, with points for volume. Then, the man who secures an order for \$5,000 gets a special credit over the man whose order is for only \$500, just as the baseball player who knocks the home run gets special credit in the official record of the game. Yet, by having volume recorded separately, the management has a system whereby the man of numerous but small orders is encouraged rather than discouraged.

In many branches of selling, future prosperity is determined in a large measure by the number of small accounts opened. It is natural for the salesman to work for the big accounts only, if his record or compensation depends solely on the total volume of sales. The point system takes care of all these conditions, and it may be so elaborated as to credit a salesman for decreased expense, increase of volume over a previous period, and so on.

Quota as a Requirement for Extra Pay.—The point system would fail in efficiency if there were no minimum or deadline above which the salesman must climb in order to earn extra reward.

A correspondence school, for example, has established the standard that a sales representative must enroll twelve new students a month and make at least 80 per cent of collections before he can qualify. Other organizations have similar minimums or dead lines. When these are established and the extra rewards are made available each week or each month, the salesman is keen, in every one of these working periods, to figure out how quickly he can come to his deadline, quota, standard or bogey and begin to earn extra money. He may work for the honor of heading the list, or for prizes but, after all, the incentive that keeps him going at a good gait month after month is extra money for extra effort.

How E. R. Squibb & Sons Use the Point System.—E. R. Squibb & Sons, New York, use a weekly bonus plan, which was described in *Printers' Ink* for July 17, 1919.

In this company's operations, the salesman's own record is taken as the basis for figuring on a better yield from the territory. Let it be supposed that the weekly average number of sales in the previous year in a given case was 18 (the merchandise units being barrels, cases or carloads and amounting to a total of 200 units weekly) and the cash value was \$1,000. The points allotted for this achievement might be five points for each order written $(18) = 90$; one point for each merchandise unit $(200) = 200$; one point for each dollar value $(\$1,000) = 1,000$; or a total of 1,290 points for the 18 orders.

For a new year, therefore, the salesman starts out with a bogey of 1,290 points, but if he exceeds his standard average, he earns double values for the extra business. For 3,225 points gained in the new year, the salesman would be credited in this way: his record is 27 orders with a merchandise unit value of 300 and cash value of \$1,500. This is an increase of 50 per cent in merchandise units and cash value and an increase of 150 per cent in point markings. Five points for each order obtained $(27) = 135$; one point for each merchandise unit $(300) = 300$; one point for each dollar value $(\$1,500) = 1,500$; for 9 additional orders, ten points = 90; two points for 100 additional units = 200; two points for additional value $(500) = 1,000$ or total points for the year, 3,225.

Quotas among Coffee Roasters and Wholesale Grocers.—A report of the Business Research Bureau, of New York University, gives this information on the determining of quotas:

The following extracts from letters received show representative ways of determining quotas in the coffee and grocery trades:

1. "The drawing account salesmen have a sales quota assigned to them which is the average sales for five years on individual territory, with present conditions taken into account.

"They also have a *profits quota*, which is arrived at by taking the average percentage of profit for five years and multiplying the sales. From

this is deducted 2 per cent of the gross sales which is for various items such as cartage, their drawing account, etc. This is the profits quota and in order to receive additional compensation at the end of the year, the salesmen's net profits must be more than this quota."

2. "In determining the quota which we assigned each man on the first of January, we took the *average of sales during the past four years*. 1918 we considered a medium year, 1919 and 1920 fat years, 1921 a lean year. We do not base our quotas on consumption possibilities, for the reason that the territories of some of the older men are rather scattered. This 5 per cent bonus is straight on all sales over and above the quota assigned."

3. "We arrived at the quotas of each salesman on a unit basis; each unit represents \$10 in value. We analyze a territory, arrive at a quota and then give the salesman a bonus for every unit he exceeds his quota."

4. "We arrived at a quota by getting the estimated population and multiplying this number by per capita consumption, then determining what our quota should be, considering *competition*, location, etc. Of course we always put the quota higher as a mark for our salesmen to aim at."

5. "Our method of arriving at our salesmen's approximate quota on coffee sales is really very simple. First, we know the population of the territories we cover; then, from the estimate put out by the National Coffee Roasters Association, we know the *per capita consumption of coffee* is about one pound per month, which gives us the total annual consumption of coffee over the territory we cover. We, of course, know the amount of our own output, which makes it easy to arrive at the percentage of coffee consumed which comes from our plant. In other words, we arrive at the *per cent of our coffee to the total amount of coffees consumed in these territories*.

"As an illustration, suppose by the above computation we discover that we are selling 20 per cent of the total coffee consumed in our territories; if any of our salesmen should drop below this 20 per cent for any particular territory, we concentrate our efforts on such territory until we get the sales up in keeping with our general average. In working out our basis for salesmen's quota, we use the preceding year. For instance, our quota for 1922 is based on 1921's business."

6. "A new territory should run \$1,000 a month and old territory should run from \$2,500 to \$5,000."

7. "Previous sales plus *reasonable increase*, taking into consideration change in conditions."

8. "Past performance—present conditions—prices—past and potential markets and just about 1,000 other factors too numerous to mention."

9. "Have not been able to devise a satisfactory method. Some years ago we used census figures as a basis, but the result was not satisfactory."

10. "Since we do a general wholesale business in connection with coffees, teas, and spices, it is very hard to determine the exact quota a

man should sell. One salesman may be particularly strong in a certain territory in some particular department, and weak in some other. In some other territory the situation may be reversed. As long, therefore, as the average is satisfactory, the best we can do is to attempt to raise the men who are weak in one department to a higher general standard. For example, we have one salesman who is usually very strong in two or three of our special departments, but weak in coffee and spices. We have another salesman who is usually way up the line in teas, spices, extracts and coffee, but down the line in some other department. You must recognize that men are not always qualified to be top-notchers in every department, so it is a question of average."

11. "Have no fixed quota. Sales vary according to *season, crop, conditions, etc.*"

Burroughs Adding Machine Company's Method.—In determining its annual sales quota, the Burroughs Adding Machine Company figures ordinarily on the basis of the previous year's sales, plus 100 per cent. Current financial and business conditions, raw material market, productive capacity of the plant and other factors are, of course, considered in setting the new quota. This quota is then budgeted among the various sales divisions of the organization.

In fixing its ratio, the Burroughs Adding Machine Company regards population as 50 per cent and the number of business enterprises within the territory 50 per cent. If a thousand points make the established quota for a population of 250,000 in which there are 1,000 business concerns, the ratio will be:

Based on 1,000 of population: $1,000 \div 250 \times 0.50 = 2.00$

Based on business concerns: $1,000 \div 1,000 \times 0.50 = .50$

Thus, for each 1,000 of population in the district the quota will be two points, and for each business concern, the quota will be one-half point.

(*Iron Age*, March 3, 1921)

Practice of Detroit Steel Products Company.—The special factors considered for the complete distribution of the commodities produced by the Detroit Steel Products Company—building material adapted for practically all types of industrial buildings—are these:

	POINT
(a) Population.....	20
(b) Number of architects, engineers, contractors.....	25
(c) Number of industries rated over \$10,000.....	25
(d) Average of three previous years' estimates.....	20
(e) Average of three years' previous orders.....	10
	<u>100</u>

The population of a given territory is divided by the total population of the United States and the resultant per cent is multiplied by 20 index points, thus giving the number of index points for population.

The number of architects, engineers and contractors in a territory is divided by the total number in the United States, and this per cent is multiplied by 25. This procedure is carried out with all the other factors, and for all the territories, the points for all the territories added together thus giving the total number of index points for the United States.

Then was set the volume of sales aimed for in that year. This was equivalent to the total number of index points in the United States.

The quota for each section was established by computing the per cent of all the index points in the country that were in each section; each section was given the same per cent of the total quota of the company.

(Sales Management, December, 1921)

How a Moving-picture Organization Computes Quotas.—The experience of one large moving-picture organization indicates that in this branch of business a familiar problem is encountered—that of how to spur or stimulate the salesmen to cover the smaller towns. As in other divisions of business, the salesmen of this firm are inclined to “hit the high spots,” and consequently to work where competition is strongest.

This firm's method of laying out territory and determining the monthly quotas of the different salesmen is indicated by the following paragraphs:

In handling our sales work throughout the United States, we divide the country first into sections or districts, each district being under the charge of a district manager. Then, these districts are divided into

exchange territories, under the supervision of an exchange or branch manager who is responsible to the district manager. By a third division, the exchange territories are divided into zones, each zone being covered by salesmen designated as zone managers. The zone managers are directly responsible to the branch manager.

Our salesmen are employed for the purpose of contracting for the rental of the pictures we produce. These productions are listed in advance. That is, pictures are scheduled for regular release dates six months prior to actual release, and it is the duty of the salesman to visit every theater or exhibitor in his zone and to contract with him for our entire output as far in advance as it is arranged, and to secure the proper playing date. This covers the number of days the pictures are to run and a corresponding price for the rental.

Right here is where our compensation plan comes in.

Years of experience have taught us that it is the natural inclination of the majority of salesmen to hit the high spots, visit the towns where the lights are the brightest and the beds the softest and at the same time secure the greatest amount of revenue in contracts. Such locations are naturally the larger cities.

As a result of this, the small towns have been neglected, and so our system of compensation was devised with the thought of giving our salesmen a continual incentive to visit large and small accounts alike, it being just as much to their interest to spend time with the small accounts as with the large ones.

The plan, in a nutshell, is this: we first determine the actual number of accounts possible in a zone—that is, the number of theaters that can profitably handle our particular product. This is the salesman's full responsibility.

After determining the actual possibilities, we go back over our records to determine the actual number of accounts being served. Figuring these on a percentage basis, we establish an honest percentage basis from each town, and the salesman is rewarded each week for the increased number of accounts he may influence to become active on our books.

The percentage of award is arranged by schedule, so that as the zone is developed to the greatest degree the rate of compensation is the highest.

We also have a penalty clause, which means that if the salesman allows his percentage of active accounts to slip below the original basis established by the firm, it costs him money each week on his salary.

American Radiator Company's Method of Assigning Quotas.—It is the practice of the American Radiator Company to assign a quota to each of the different branch offices and to have the branches distribute quotas to the individual salesmen.

This assignment or distribution by the home office is based partly on production and partly on the current movement of

the product to be sold. For example, the company has a production of a certain amount which must be distributed among a certain number of dealers. Instead of taking the total output and the total number of dealers and making an equal distribution to each, considering only the factor of population, the company takes into consideration the matter of local conditions and bases its quotas on the number of certain of its products which reasonably may be expected to be sold in a given community, judging by past experience and the various conditions that surround the selling of heating equipment of the kind manufactured by this firm. Such things as nativity, color and home-ownership have to be considered.

Exhibit 137 gives a graphic illustration of how the quota of this concern was presented to the salesmen in such a way as to make them feel that the goal set was, after all, a modest one and that there was no reason why it should not be reached.

6,500—HOW MANY IS THAT?

6,500 Arcola merchants are all that we want for the whole United States just now. Does it seem like a lot? Yes—when you consider that it is more than double the total number of Arcolas sold during the whole year of 1919.

But when you compare this figure with the size of the United States, it means an average of only about one Arcola merchant to every town. Here are the figures:

CITIES AND TOWNS	NUMBER IN UNITED STATES
Over 2,500 Population.....	2,728
1,000 to 2,500 Population.....	3,138
Total over 1,000 Population 5,866	
500 to 1,000 (Estimated) Population 5,000	
Post offices in United States.....	58,000
Central Power Stations in U. S.....	7,223

This shows that 6,500 means only about one Arcola merchant to each locality of over 1,000 population, despite the fact that in the big cities there are probably from 20 to 100 Arcola merchants, either potential or actual.

And when you think that there are more Central Power Stations in the United States than the number of Arcola merchants that we are after, 6,500 is a modest goal.

EXHIBIT 137.—How the American Radiator Company explained to its sales force its method of figuring the quota of 6,500 dealers.

Certainteed Products Company's Method.—While the basic idea of the distribution of territory to salesmen by this well known manufacturer of paints, roofing, linoleum, oilcloth, etc., is that of population, it is necessary that the plan be modified because of the fact that some sections are so thickly populated while other areas are vast, with the population very much scattered.

It has been found that in assigning territory it is not only necessary to consider the matter of population but the kind of products to be sold and business conditions generally in the territory. For example, the assignment of a million and a half of population in the city of New York proper (Manhattan) might not produce as good a result in sales as a quarter of that population in the Bronx.

The company keeps a monthly record of each salesman's work, a copy of which is furnished each district, so that the salesmen may know whether or not they are keeping up to the company's average. This sheet enables the district manager to keep an accurate check on his men.

Another record is maintained, showing the amount of each of the company's products that have been sold during the month. This is necessary because of the fact that the company requires its salesmen to divide their efforts among the different products and not favor one or two of them. If the record shows that more paint is being sold than roofing, for example, the salesman is checked up and coached to work harder for roofing sales.

Every salesman's territory is divided into four parts and an accurate record made of all sales and in what division of the territory they were made. This impresses on the salesman the fact that he will have to work all quarters of his territory; otherwise he soon becomes aware that the territory will be divided and another salesman put in.

"The Fighting Olivers" Organization.—A method that has been used successfully by the Oliver Typewriter Company is that of forming an organization bearing a special name, to which salesmen are admitted after they successfully meet certain requirements. The name adopted by the Oliver Typewriter Company was the apt one of "The Fighting

Olivers," and there were four degrees to be attained in this honored circle. In this respect, the plan assumed the familiar form of the secret society or lodge.

Anybody in the organization can qualify for membership among "The Fighting Olivers" except the head, or manager, of a sales unit.

First degree membership could be earned by any salesman by some distinctive type of work. His immediate superior had to describe this performance and recommend the new salesman for his first honors. This recommendation had to be made in writing, with full details. If this recommendation was approved by the head of the sales department, the salesman's name was carried on the roll of "The Fighting Olivers," decorated by a single star.

After being recommended and appointed, however, the salesman could earn his second degree only by making his quota for the month and also performing some distinctive task more difficult than that which earned him his first star. When the second star was earned, the salesman was listed in the sales bulletin of the company, known as *The Oliver News*, and he then received the emblem of the second degree—a clinched fist made of gold.

Likewise, the third degree had to be earned by meeting the quota and accomplishing some still more difficult task.

In order to earn the high honor of the fourth degree, a man had to make sales equivalent to double his quota and a certain percentage of this increased business had to represent competitive machines replaced by Olivers. On earning this unusual distinction, the salesman returned his single gold fist—in the form of a stick-pin watch-fob, or button—and received a new emblem consisting of two fists, which thereafter entitled him to be listed among the "Two-fisted Fighters."

"Record-breakers' Association."—One of the largest correspondence schools—employing seven hundred to eight hundred salesmen—has used as an incentive membership in an organization known as the "Record-breakers' Association."

To qualify for his first term in this association, the new field representative had to earn a certain number of qualifications on enrollments and a certain percentage on collections.

There were other special requirements introduced from time to time in this association, such as the installation of window-displays, or certain kinds of publicity.

Each time the field representative qualified on his monthly working period, he received a bonus, but he had to qualify in four monthly working periods out of every six before he earned a term among the "Record-breakers."

This "Record-breakers" plan provided for twenty terms. This meant that the representative had a constant incentive and it was not necessary to work out two or three new working plans or contests every year.

For every term won in the "Record-breakers' Association," the field representative received some token. For the first term, he was awarded membership in the association and the loan of an initialed solid gold medal of merit. On each subsequent term, the award was a 5 per cent salary increase. With every fifth term, there was an award of a solid gold lapel button. These buttons were all different, so that in meeting other salesmen it was apparent to just what class of producers the honored man belonged. The button for the fifth term was known as the "Pervicisti Button;" winning the tenth term brought the "Shield Button;" the honor accorded the fifteenth-termers was the "Star Button," and the twentieth term winners received the "Diamond Button."

This plan combined salary increases with badges of honor and the combination proved to be an effective one.

Federal Truck Company's "True Trux Clan" Organization. A good example of the novel and timely salesmen's club is the "True Trux Clan" of the Federal Motor Truck Company. The success of this organization, which has been a marked one, is due largely to the salesmen's admiration for novelty, good fellowship and a little "horse-play."

At the time this volume was being prepared, the "True Trux Clan" had forty members, who were the high men of the organization, selling almost half of the entire output of the manufacturer. These forty members were all that qualified for membership out of a sales organization of more than five-hundred. No salesman is eligible for membership in the "Clan" until he has sold a certain number of new trucks during

the year. At each convention of the Clan, the salesmen increase the number of trucks to be sold the next year, in order to retain or gain membership. So the standard of the club is constantly being raised. At the same time, the salesmen are spurred to greater effort, for membership in the Clan has come to mean so much to the men that there is great striving and rivalry in order to get into the exclusive group. And getting in does not mean staying in, unless the following year's requirements are met.

The star club was first formed by the sales manager in order to decrease the enormous turnover among salesmen, brought about largely because of the fact that many of the men would overdraw their accounts and lose their jobs, leaving the loss of men and money to be met by the distributors. The object was to make the club something worth striving for, so that the better type of salesmen would be appealed to. This new idea did not take like wildfire at the outset. It had to be explained very thoroughly. But after the first convention—the crowning event of the Clan—no further effort to make the Clan popular was needed. The men had such a good time and such a wonderful spirit of good fellowship prevailed that the work of selling trucks immediately took on a new meaning, not only to those who attended the convention but among the other salesmen of the company who naturally heard about the good times and who became exceedingly desirous of sharing in them. So far this club has exceeded the hopes and expectations of the sales manager. Turnover has been very substantially reduced. Salesmen of high type are constantly being drawn into the organization from other selling work, principally through the influence of the members of the "True Trux Clan."

The "True Trux Clan" is governed and ruled entirely by the salesmen themselves—even the establishing of quotas. Though quotas are raised each year, the membership has more than tripled in the three years of the clan's existence.

The annual convention at Detroit, the home office of the manufacturer, is the award to the men. These conventions last four days and the expenses of the men, including railroad fare, hotel bills, and the like, are all borne by the manufacturer.

The mornings of these four days are devoted to trips to the factory, where new models are inspected and thoroughly explained. Rival factories are also visited. Thus, although the convention is a grand lark for the men, they also gain much enthusiasm and new selling knowledge. The evenings are entirely devoted to fun. The first evening is taken up with initiations, election of officers, establishment of goals, and so on. There is an elaborate ritual of the secret society order. Old members initiate new ones, while the old members are given additional degrees by the officers. Robed and hooded, the "Imperial Grand Lizard," the ruling officer, leads the members through the plant, where they are put through many thrilling and hair-raising experiences. Other evenings are devoted to theater parties and a banquet, with one left free for the men to do just as they please.

The ritual is a good-natured take-off of the Ku Klux Klan. The following is a typical paragraph from it:

I promise to exert every effort during the coming year to put Federal across in my territory. I will visit every likely prospect, not sparing shoe leather, car tires, or the seat of my pants. I will expound Federal quality and preach Federal prices, until I am blue in the face and my collar relaxes its starch, and the moon shines high overhead.

A club or organization of this kind, bringing in the humorous or ridiculous, or deriving its popularity from something that is strongly before the public at the time, is likely to arouse a great deal of enthusiasm for a few seasons, but may not prove to be the best form of club or honor roll for use year after year.

(Summarized from *Sales Management*, April, 1923)

SECTION XIII

SALES CONTESTS

Many salesmen, after a brief preliminary training, are sent out to "hoe their own row," being away from home much of the time and having only occasional contact with their managers, except through correspondence. There is chance for discouragement and very often need for some spurring influence.

Even when the salesman is one of a local group and is in constant contact with his superior, there is likelihood of getting into a rut unless the plan of the work has some variety injected into it. Hence, the contest idea.

What May Be Accomplished by Contests.—As an aid in overcoming unusual conditions, increasing volume and creating an extra incentive to salesmen, sales contests came into being and are now used successfully by a great variety of businesses. Sales contests are used to increase sales during slack periods; to stimulate sales on a certain product or article; to quicken the spirit of rivalry and friendly competition which is often lacking, because of the fact that salesmen are generally forced to work alone instead of in groups, and so on. Contests, bonus systems, special inducements, honor clubs and the like, serve a very good purpose in that they provide an added spur to the salesmen, while at the same time bringing a closer contact with the home office and with salesmen in other territories. The men out in the field know that contests, quota drives, bonus plans, or any other special inducements are watched by the home office executives with unusual interest. There is, therefore, an effective appeal to pride. Bulletins, special letters, sheets showing the standing of the various contestants, and other interesting, lively kinds of messages are sent out at frequent intervals, providing a more intimate relationship and eliminat-

ing to a large degree the feeling that the salesman is working alone. The knowledge that many other members of the force are trying to do the same thing that he is doing and trying to do it better, is a good tonic for a salesman. He catches the spirit of the game. Contests have, therefore, become a program of many organizations, either as an annual or semi-annual feature, during some special season, or because of some special condition that has arisen.

Are Contests Adaptable to All Businesses?—Many firms may still have the feeling that contests are not practical except for certain products of a more or less special nature, such as office equipment, cash registers, adding machines, automobiles, insurance and the like, but a review of business experiences shows contests in many enterprises where they were formerly thought entirely out of place and unprofitable.

For example, during the trying days of the World War and after the war, when business generally suffered a severe slump, contests, bonus systems, and the like were resorted to as a means of taking the minds of the men off of the war and the unsatisfactory condition of things generally, with the result that many firms were converted to the idea of using contests as a regular feature.

Contests are now being used regularly by such former skeptics as book publishers and shoe manufacturers. An annual baseball contest has become a most profitable and productive feature of one large book publisher who markets a high-priced encyclopedia on the instalment plan. Even manufacturers of staple articles such as coffee, teas, sugar, flour, etc., are coming to see the benefits to be derived from a well planned and conducted contest.

Whether or not a contest would be desirable or profitable must depend to a large degree on the sales force of the organization, the thoroughness with which the contest idea is impressed on the men in the field and the home office executives before the contest is actually staged, the local conditions prevailing in the territories of the field men, the selling plan of the manufacturer or dealer, and so on. The fundamental principle of the contest idea is so sound that, adapted to meet special conditions, it may be made useful to almost all enterprises.

But to be successful, any contest must be well thought out, well planned, and carried through with the proper spirit.

Some Reasons Why Contests Fail.—If a contest fails it is very likely due to faulty execution somewhere along the line and not to the contest idea itself. The following are some of the most common causes of failures.

1. A large number of failures are traceable to the fact that the preliminary work was not efficiently done. It is essential that the cooperation of the home office executives be enlisted and that the men in the field have a thorough understanding of the conditions and rules governing the contest; also, that this information be in their hands a reasonable length of time before the contest actually starts, so that they may have a chance to study the plans and clear up any uncertainty that may develop.

2. A second cause of failure is neglecting to study conditions properly and to fix a quota or basis of award that will be fair to every one in the sales organization, thus making it worth while for the newest and less efficient men, as well as the ablest salesmen, to participate, with a reasonable expectation of award. The basis of award, allotment of quota and handicap should be such that every man has a chance to win, notwithstanding territorial conditions, natural ability, and so on. Bob Bacon, down in Georgia, may have a better chance of selling some of the lower-priced articles of the firm, while Jim Pitman, up in Massachusetts, may be able to close sales on a higher-priced article. The result may be a larger increase in the total sales record of Jim Pitman, despite the fact that Bob Bacon has worked just as hard and been just as loyal to the firm. There should be some way of evening up such scores. The way to do it may be the grouping of Class A salesmen, Class B salesmen, Class C salesmen, and so on, with a definite fixed quota or number of points necessary for membership in a given class or club, according to the plan used.

3. Hurried or incomplete salesmanship may be listed as another cause of failure. No advantage is gained if an assignment of goods is shipped only to be cancelled and again thrown back on the hands of the manufacturer. The men

should be encouraged to do their work thoroughly and in a lasting, permanent manner, so that the number of cancellations and dissatisfied customers will be reduced to a minimum. Indeed, it may be advisable to have something in the rules of the contest governing cancellations. If this point is made clear in the beginning, no trouble should be caused on account of it. Trouble will be forestalled by leaving no doubt in the minds of the men as to what policy will be pursued with reference to cancellations and hasty, deficient methods.

4. Another source of failure is the fact that regard is not always taken as to whether or not conditions are favorable to the staging of the contest. This does not mean that conditions must be ideal, for ideal conditions rarely, if ever, arrive. It does mean that staging a contest at a time when local or business conditions generally make it almost impossible for the men to make a good showing may produce a bad effect rather than a good one.

5. Many times poor results are directly due to lack of time for working out plans in advance. Perhaps there are contests that are carried on for a week or two without much preparation, but most successful sales contests have been thought out and planned months in advance of the starting date.

6. Too many revisions and changes will kill a contest.

7. Contests may be disappointing because they were too long or too short. If a contest is too short, full benefit will not be derived from the enthusiasm and contest spirit awakened. On the other hand, if the contest is allowed to run along for several months, interest is almost sure to lag, unless there are several stages, each affording some climax—such, for example, as a “best two out of three” match of some kind. In general, it is well to have a contest not shorter than one month, nor longer than three.

8. Too many contests in quick succession are boring. Novelty and incentive are likely to vanish when the idea is overworked. It is better to confine the plan to an occasional feature or an annual or semi-annual event rather than make it ineffective through abuse or overuse.

9. While frequent letters, bulletins, honor rolls, rating sheets, etc., should be sent out during a contest, some contests

are spoiled by so-called breezy bulletins that seem unreal or insincere. Such material should be prepared with great care, so that just the right note may be struck. There is a happy medium between the empty "hurrah stuff" and the too matter-of-fact comment. There are so many interesting details to a lively contest that there is no excuse for not having newsy, enthusiastic reports and comments by the managers of the affair and the contestants themselves. Much can be drawn from the letters and reports of the men.

10. A contest may fail because there are not enough prizes offered, or because they are not distributed intelligently. The easy thing is to offer a sum of money, to be divided proportionately between the winner and the salesman making the next highest score, but this is rarely the appropriate way to reward. It is better to offer prizes for the largest total amount of sales, the largest single order, another for the most calls made, still another for the largest number of orders (irrespective of amounts), another for the largest number of new accounts, the largest number of window- and counter-displays installed, and so on, so that if a man stands little chance of winning in one respect, he has a chance in another direction.

Why Some Firms Are Unfavorable to Contests.—Not all firms, by any means, believe in the effectiveness of contests as a means of stimulating salesmen and thus increasing the volume of business to be derived from a given territory. Some of the objections are:

1. Because sales contests increase the rate of turnover among salesmen.

2. Because, in order to attain the goal which has been set, salesmen are tempted to drive a prospective buyer to a decision—to oversell. In after months this may cause much additional work on the part of some other salesman or sales manager. If a customer buys against his best judgment, simply because the enthusiasm or persuasion of the salesman carries him beyond himself, the loss of his good-will may be out of all proportion to the amount of the order secured during the contest.

3. Because a spirit of dissension may be engendered among the men. This may come about because those who do not win always far outnumber those who do; and there are always poor losers, even in sales organizations. Therefore, say some sales executives: "Sales contests sacrifice the many for the few, and a dissatisfied or disgruntled salesman is not a proper representative for any firm."

4. Because contests do not tend to elevate the principles of salesmanship but rather have a tendency to tear them down; that they often breed disorganization and disloyalty. Men are often tempted to do business contrary to rules and to the principles of their employers, just because the reward in a contest is alluring. The good-will of a concern is its most priceless asset and this is often entirely overlooked. Salesmen, in taking orders, should do so with the idea in mind of many pleasant years of dealing instead of just the immediate business.

5. Because the quota or point methods of awarding are not likely to be accurately figured out and are consequently unfair.

6. Because contests tend to make salesmen lose sight of the value of building for all time instead of just for today and its present needs.

Two Opposing Opinions.—In the August, 1921, *Sales Management* there appeared an interesting discussion of whether or not sales contests really pay, with the sales manager of a large paper mill on the negative side of the question and the sales manager of a subscription-book company on the affirmative side. On account of the interest in the subject, these articles are reproduced:

"NO"

By Sales Manager of a Large Paper Mill

A sales contest is a competition. It raises dissension and rivalry. Old Thomas Hobbes, who lived in England in the sixteenth century and who made a specialty of arguments, summed up the matter of sales contests in this wise: "Competition of riches, honour, command or power, inclineth to contention, enmity and war; because the way of one competitor, to the attaining of his desire, is to kill, subdue, supplant or repel the

other . . . And therefore, if any two men desire the same thing which nevertheless they cannot both enjoy, they become enemies; and, in the way to their end, which is principally their own conservation and sometimes their delectation only, endeavor to destroy or subdue one another."

Do you think, Mr. Sales Manager, that such a spirit helps upbuild your sales force?

Mr. Starsalesman desiring to subdue or kill—in the figurative sense only—Mr. Nearstar is hardly a good basis upon which to build a spirit of good fellowship and camaraderie to meet the real enemy—Competition, is it?

Sales managers want to make a showing, they want a big March, or a bigger May, and they stage a contest. It brings home the business, just as now and then a war of aggression brings home more territory to the invading power. But the war spirit remains within the people and breaks down their morale.

In order to improve their standing in a contest, salesmen will drive the prospect to a decision which may be the cause of many years of future worry—for some future sales manager in all probability! A prospect convinced against his will is much like the woman of the old adage, "of the same opinion still." You can whip a prospect to a decision but in the end he will whip your company for having forced him.

Sales contests mean more to the multiplication of turnover among salesmen, in my opinion, than anything else. Instead of, like in the old days, getting a man to join you as a salesman and working him up into an owner of the business, you get a man for a salesman now much like the grandstand ball players of the day. They go like a "house afire" for a month, a season, or longer, and then you "let them out," or they get fired, or they "resign" and pass on to pastures new just as the contest-mad ball player has to move on to some new team about once every two years. Take a team that is fighting for the lead in one of the major leagues, they have on it one player who has made a whirlwind of a success in no less than three pennant winning contests. But he has never been on a team that has repeated. Why? Because he has but one goal, apparently, to win now, this year, let next year take care of itself. Next year the "stimulation" shot to that team this year asserts itself, there is a "morning after," and the star-salesman, or ball player seeks pastures new.

I know of one concern which comes the nearest in my estimation to staging a fair contest. They have used the contest idea for a long time, but note this; the sales manager who directs that organization's famous bunch of business-getters was never conspicuously successful in sales contests in the days when he was a salesman, and mighty few of their 100 per cent-pointers or billion-point men are with them over any long period of time.

The sales manager of bygone days, when business was not the mad speed- and greed-fight that it is today, built up an organization of salesmen. Year in and year out they were with the same house, eventually

owning it. They did not rely upon artificial stimulation to bring spasmodic results. They built for good-will by the slow laborious process, if you please, of selling the house and their own personality. They plodded, if you please, but built upon a firm foundation. Today the salesman is a "Man-o'-War" getting the business right now and letting future good-will take care of itself. This insidious practice, as I see it, comes right out of the sales contest, so much overdone in modern day merchandising.

Let me be specific: "The-order-a-day" idea is often used. I know of a contest where the winner had enough orders in hand, with verbal instructions from their signers to send them in at his will, to win the contest within a week after it had started. He loafed the rest of the time and the rest of the sales force knew it.

"Biggest single order"—nearly always won by some fluke order which did absolutely nothing but "fall out of the sky." How much salesmanship does winning such a contest represent?

"Biggest percentage of quota"—here is an old friend met in every contest. What is "quota?" The guess of the sales manager or more likely some clerk in the sales department who is at best a poor guesser. Now and then big firms have a most elaborate system of setting quota, based on past business, the per cent of left-eyed ladies and right-handed pigeons in any particular district. Now and then these quotas are "fair" but every so often some dub accidentally lands in the office of some firm who would order by mail had the salesman not happened along at that moment, and by that chance call wins the prize.

A man "sore" on the house because he lost the last contest is not a man who can best represent that house to a possible prospect. Yet following every contest there are bound to be only a few who were winners, and many who were losers.

The contest system of sales stimulation sacrifices the many for the few; it breaks the spirit of salesmen; it does absolutely nothing to improve the standards of salesmanship; it breeds ill-will, discord, envy, hatred, and disloyalty.

Longheaded owners of business will sooner or later realize that it's not the business which you do today that counts but the good-will that you build for business to be done tomorrow. "The high cost of selling" in my opinion comes largely from the "low cost of training salesmen" by which I mean in most cases the lack of training. Instead of "Thousands of Dollars in Prizes" why not try "Thousands of Dollars in Sales Training?"

"YES"

By the Sales Manager of a Subscription Book Company

If every salesman worked every day at 100 per cent capacity to work, then I would say sales contests wouldn't pay. There would be no need

for them. But it has been repeatedly proved that every man is capable of putting forth 40 per cent greater effort under pressure than if left to his own initiative. Rain-in-the-Face, the Indian chief who cut out the heart of Custer, ran 300 miles without a stop, in order to escape into Canada. He could not possibly have done this if his life had not been at stake, or if there had not been some equally great necessity.

Salesmen are but boys grown old. They enjoy pitting themselves against one another in the same way that they used to enjoy a game of ball, or a game of tennis. No doubt they enjoyed getting out in the back lot and knocking up flies, but they soon tired of it. The incentive was lacking. They would much rather get together some of the other boys and choose sides for a game. And how they would play for the pure love of winning! I contend that the same principle holds true in selling. If you can turn what a man would ordinarily consider work into a game and by means of scientifically worked out handicaps give everyone an equal chance to win, the men will take more interest in their work, work harder, and make more money. In the last analysis, one of the most important things that a sales manager can do is to create ways and means that will enable his salesmen to make more money, because salesmen who are making good money are better satisfied, more stable and more dependable.

Another reason why some concerns are down on contests is because they have over-worked the idea. This was not true during the war, but it was true before the war and it is true today. It is a mistake to hold one contest after another the whole year through, just as it is a mistake to hold contests that extend over too long a period of time. In either case, you cannot sustain the interest of a sales force that long. The race soon settles down between a few pace-setters, and the balance of the field drops out. Like other devices of intensified selling, the sales contest has its distinct place in the sales manager's tool bag. It should be used to produce an extra spurt to carry the business over what might otherwise prove a slump. Thus, the summer is a very good time to stage a contest in a business where sales are ordinarily off during the summer months. If the men are skillfully handicapped, they will all have a good chance at the money, and will strain every effort during that period.

I once put on a sales contest for an office appliance concern that fell flat because we didn't distribute the prizes skilfully. Like most sales managers, I didn't think it would make any difference how many prizes would be given, or what they would be given for. So I took the easy way out and offered a purse of gold, split two-thirds to the winner and one-third to the second best. In the first place, the purse was too big. When the worth of the prize outweighs the honor of winning in the eyes of the salesman, then you are in for trouble. What should be a game degenerates into a rough-and-tumble fight for business. In the second place, there should have been several prizes—one for the biggest single order, another for the greatest volume, another for the most orders, and

so on. In other words, fix your contests so that if a man can't win one way, he still has several prizes to try for.

It is only fair to say, however, that the sales contest is no panacea for all the ills of sales management. Unless it is staged properly, and conducted by some one who commands the loyalty and respect of the men, it is foredoomed to failure and will do far more harm than good to an organization. If I were selling a product where service to the buyer was an outstanding need, I would put on an entirely different sort of a contest than if I were selling adding machines. One of the troubles with contests has been that sales managers have not understood the proper arrangement of contests. They have used them much the same as a man who is sick and grabs the first bottle that he comes to in the medicine chest. When he finds that the Sloan's liniment he has drunk does not cure his headache, he is off medicines entirely, and spends long hours telling his friends what a great mistake it is to spend money for medicine. He has tried it and knows.

A great many concerns will tell you that they have tried sales contests and found that they didn't pay. Ask them why and they say that the salesmen didn't respond. Question them further and you will learn that the reason they didn't respond was because no effort had been made to sell them the contests and to create enthusiasm in the contest idea. It was pushed out at them in a short and snappy letter from a short and snappy sales manager who said in effect: "We're going to have a contest. The prize will be a traveling bag. Your handicap will be 27. Now, get busy and see who the best man is in the organization."

The big thing that makes for success of a contest is to reward the men on the basis of what you want them to do. It is a mistake, for example, for a concern selling to an established trade to put on the same kind of a contest that has proved successful for a manufacturer of duplicating machines and expect the same results. In one case the reward should go to the man who did the best educational sales work. Perhaps there would be a prize for the man who trimmed the most windows as well as sold his quota of merchandise, or the prize might go to the salesman who has turned in the greatest number of full line orders during the month. But in the case of the duplicator manufacturer the one thing he wants is sales; customer good-will is less essential. So when he frames his contest he puts the emphasis on sales and sales alone. Failure to understand this underlying principle is, in my judgment, the reason why there are some sales managers who still argue that sales contests don't pay. The trouble is not that the sales contests don't pay, but that the sales manager does not know how to make them pay.

Review by Another Director of Sales.—B. B. Cannon, director of sales of the Condie-Bray Glass & Paint Company, of St. Louis, in an address before the St. Louis Chamber of Commerce, held that sales contests would be unnecessary if

salesmen were all ideal salesmen. He listed the following objections to sales contests:

1. They stimulate superficiality in salesmen.
2. They tend to have a discouraging effect on the salesmen who are losers, and often the best salesmen of a staff are in the losing class, on account of conditions and environments over which they have no control.
3. They result at times in customers being overloaded.
4. It is the law of nature that for every abnormal condition coming from stimulation, there is a reaction period of sub-normality. To keep a salesman going at high tension in a contest for any length of time, means that there is danger, when the contest is over, of his letting down far below normal and continuing in the sub-normal rut.

In his opinion the three good features are the following:

1. Contests can be used to advantage in introducing a new product.
2. In periods of general depression and inactivity, a sales contest gives your salesmen impetus to go out and get business where they wouldn't get it otherwise, and where competitive salesmen are falling down.
3. A sales contest conducted in the right way will oftentimes bring out the real salesmen; will stimulate their resourcefulness and will enable the sales manager to determine who is worthy of promotion when the right time arrives.

Commenting further on the sales contest plan, Mr. Cannon argued that this feature of sales work was more effective in America than in other countries, due, he believed, to the fact that the average American likes a fight.

Additional comments by Mr. Cannon follow:

In handling sales contests, it should be remembered that no executive can successfully put over a contest unless:

1. He has the confidence of his salesmen.
2. Quotas are handled so they will be absolutely fair to the men.
3. Very little stress is placed on the number of calls a man makes, because one man may have a few big customers and another a large number of small customers and yet not do the same volume of business as the first man.
4. Consideration is given to the fact that conditions in one territory may be totally different from those in another.
5. The men understand the contest thoroughly.

6. Bulletins are sent to the men to keep up their interest. Have your bulletins prepared by the man in your organization most competent to prepare "peppy" stuff.

7. Your contests are worked out along fair lines. Once you have fixed your rules, live up to them. Do not let inside favoritism work to the advantage of one man and to the disadvantage of another.

DIRECTING THE CONTEST

Stimulating the Contestants.—It is important that the salesmen be kept in close contact with headquarters and with records of other salesmen during a contest, and so weekly, or even daily, bulletins and special letters should be sent out. Use may be made of interest-exciting material of many different kinds, such as photographs of the leaders, reproductions of letters or telegrams from the president or general manager to a branch manager or some leading salesman, honor rolls, the standing of the men in different territories, and so on. These letters or bulletins are usually written or printed on specially prepared forms, carrying slogans and showing appropriate cartoon pictures.

Such bulletins or letters are frequently sent to the homes of salesmen, with the idea of having the salesman's wife become familiar with the contest. She is likely to add to the enthusiasm of her husband by talking with him about the plan and the results he has attained, the obstacles he has to overcome, and so on.

Records of Progress for District Men.—In addition to the literature sent to the salesmen themselves, all branch offices should be provided with score boards, bulletin boards, targets, or some scoring arrangement, on which should be posted the daily standing of every man in the branch office organization. While it is important to keep before the men the comparative standings, it is not always desirable or necessary to give the actual amounts of the sales of each. Ratings may be given through percentage figures or by points.

It is sometimes advantageous to divide a contest into a number of different parts or to have short contests within the larger contest. An example of how this is done is shown by the method of the Yawman and Erbe Mfg. Company's horse race contest, held during October, November and

December, 1922, which was divided into three "heats," each month constituting a "heat." Such a contest is based on so familiar an illustration that it is easy for the men to catch the spirit of the race. This contest is described in the latter part of this Section.

Prizes Offered.—Contests properly fall into two classifications: those that have for their prime object the increasing of sales; and those that have as their object the improvement of the efficiency of the organization and the feeling of goodwill that should exist among the field representatives themselves and toward the firm that employs them.

Prizes, then, should be selected with great care, according to the kind of contest that is being conducted. Money and merchandise rewards are perhaps more suitable for the first type of contest. Trips to headquarters, a big banquet to the winners in all districts, a president's cup or trophy, or some such appropriate honor or award is much more suitable for the latter type of contest.

It is perhaps true that salesmen, as a rule, prefer cash prizes. While prizes should be made substantial, it is not good policy to make them so large as to be out of all proportion to the honor of winning. Best results are obtained when the monetary or merchandise reward is kept secondary to the distinction of coming out ahead of other members of the organization. As has already been stressed, there should be varied prizes for different types of work, so that the largest number of men may participate with the expectation of carrying off at least one honor or prize.

Merchandise Prizes.—Though the field men may prefer money prizes, prizes of some suitable article of merchandise are often preferable to the home office, and these have the advantage that they may be retained and exhibited proudly long after monetary awards have been spent and forgotten.

Merchandise prizes should be those that the salesman will not only find useful but that he will be proud to show his acquaintances. Salesmen are just overgrown boys and will respond to and treasure well-deserved praise. So the prize, whatever it may be, should be presented with an appropriate letter or note of appreciation, either from the president or general

manager of the firm or from the sales manager. Such an expression may be valued even more than the prize itself.

Some of the articles that are appropriate for prizes are automobiles, handsome traveling bags, watches, fountain pens, safety razors; or, if the salesman is married and has a home of his own, even articles that may be enjoyed and appreciated by his family may be selected.

Some Contest Ideas.—The following list is fairly representative of the sales contests that have been used by well known organizations:

1. *Game contests* of all kinds—baseball, pool, and so on.
2. *Trip-around-the-world contest*, which is described in detail in this Section.
3. *Altitude or aeroplane contests*, in which the prizes are awarded according to the highest altitude reached, based on predetermined quota, or a system of points.
4. *Contests for concentrating effort* particularly on articles or products that may not be selling satisfactorily in proportion to some other articles or products of the firm. A graduated scale of points makes it possible to put emphasis or pressure on any item. This kind of contest may carry some such name as "Putting Pickles on the Map."
5. *Straw Hat Contests.*—These are conducted in the early spring and are a means of stirring up a good deal of merriment and friendly rivalry in the matter of determining just which men will wear "a free straw."
6. *"Game of Chance" or Drawing Contests.*—Sales of a certain amount entitle the maker to a "chance." At the end of the contest, the chances are put into a hat, shuffled up, and so many draws are made, thus determining the winner. The more chances a man has, the better his chance for winning.
7. *Contests for Stimulating Collections.*—Prizes may be awarded to the man in each district who is able to collect the most past-due accounts and for other valuable credit information.
8. *Exceeding Your Quota Contests.*—Contests conducted with the idea of having as many men as possible beat last year's or last quarter's quota, dividing the men into groups or classes, so that every man has a fair chance to win.

9. *Horse Race Contests*.—Similar to the contest of the Yawman and Erbe Mfg. Company, described in this Section. Contests may be divided into "heats" with so many points, or sales of a certain amount, constituting a heat, or a given period being a heat.

10. *Target Practice*.—A plan that is particularly suitable for developing good-natured rivalry among a number of branch offices or sales divisions. These contests serve to develop the group idea, instead of individual salesmanship, and prizes are awarded to the entire sales division or branch office.

11. *Challenge Contests*.—An old but often effective form of contest is that in which one general division of the sales force issues a challenge to another. The Eastern and Western organizations, for example, may be pitted against each other. Such a contest engenders good-natured rivalry and, if well conducted, spurs the men to increased effort. A contest of this kind will probably incorporate the team idea, because the two contesting bodies will likely be divided into a number of different teams. The teams are often given special names such as the "Go-Getters" or the "Home-Run Hitters."

12. *Honor Rolls or Hundred-point Club and Record-breakers' Association Contests*.—Such a contest is conducted on the basis that membership in the club, association or order is acquired only by sales of a certain volume, the amount of sales, perhaps, varying according to the class or group to which a salesman may belong.

13. *Contests for Curbing Costs of Selling*.—Conducted with the idea of reducing costs in proportion to ratio of sales. Prizes may be awarded to the man or men in each division or district making the highest total of sales at the lowest selling cost.

SOME SUCCESSFUL CONTEST PLANS OUTLINED

In addition to the foregoing list, there are a number of sales-contest plans that have been operated so successfully that they are deemed worthy of a more detailed outline.

Vacation Prize Contest.—In the Dec. 1, 1921, issue of *Printers' Ink*, L. G. Robbins, General Manager of the A. J.

Deer Company, Inc., manufacturers of electrically operated coffee-roasting machines, coffee-grinders, bacon-slicers, food-choppers, and such small machinery, tells how the usual slump in sales during June, July and August was avoided through the operation of a Summer Vacation Prize Contest. It was the idea of this concern to have the men work during the summer months and take their vacations later, using the liberal prizes offered as their extra vacation money. Just how successful the contest proved to be is best told in Mr. Robbins' own words:

Prizes were offered for the men who made the highest percentages of the quotas assigned to them for the three months, for the largest amount of business accompanied by cash with order, and for the largest amount of what we call first-grade instalment business. These were all in cash, and a gold medal was offered for the man who sold the largest number of machines during the contest, regardless of price.

The results were all that could have been expected, from the standpoint of increasing sales, but there were other benefits also. The winner of the first prize, \$250, was a man who previously had a very ordinary selling record with us. Other men took prizes who were the last men we should have expected to do so, and in general the quality as well as the volume of business was entirely satisfactory. A sort of momentum was acquired which carried the sales force through September, when no prize contest was on, with an excellent record, and, in fact, with more business than it produced in any month of the contest. We have yet to hear of any prize winner who took his money for a vacation, as they all seemed to feel that they did not want to break a "winning streak."

Annual Baseball Contest of F. E. Compton & Company.—This large book publisher of Chicago has come to look so favorably upon the contest idea as a means of increasing sales and producing a good effect generally that the baseball contest is an annual event.

A large number of the sales organization of the Compton Company are women, so the old idea that women do not appreciate or enjoy the national game has been riddled. The women are just as appreciative and enthusiastic participants in this contest as the men, and in some cases even more so.

The contest is staged by means of baseball posters, house-organ articles, cartoons, baseball diamond score boards, baseball score cards, and so on. The entire organization is divided into teams. To make the baseball idea realistic, each team has a name. A regular schedule is arranged, so that each of the fifteen teams has a one-week game with each of the other teams, making a thirteen to fourteen weeks' schedule during each season. As the end of the contest draws near, the interest and excitement of the participating teams become intense.

S. J. Gillfillan, who has charge of the sales organization of F. E. Compton & Company, has this to say about the plan:

This contest is worked out on the basis that each order is worth so many runs. Since ours is an instalment business, we have used this idea to bring in larger payments and more cash orders. For instance:

1. A regular order without any payment is a one-base hit and worth three runs.
2. An order with the first payment collected is a two-base hit and worth four runs.
3. An order with twice the first payment collected is a three-base hit and worth six runs.
4. A cash order is a home run and worth eight runs.

Beginners' orders are worth a few more runs for each order, so as to include all beginners and keep them interested from the very start.

All members of the winning team attend an all-day picnic given by the company. Officers of the company also attend the picnic and present the pennant. Every member of the winning team is given a substantial prize.

To cause the stronger salespeople of the different teams to produce to their limit, we also offer a first prize to the leader of the organization; a second prize to the second best, and so on. These prizes are over and above all other prizes.

We have used this contest very successfully for five seasons.

Dividing a Sales Contest into Ten-day Periods.—A successful sales manager argues that many sales contests fail because of their length. In the long campaign or contest some salesman forges ahead with the result that others get discouraged and think their chance to win has vanished. To overcome this weakness in the contest idea, this sales mana-

ger arranges ten-day campaigns. The short time makes every man realize that he must get started immediately or the contest will be over before he strikes his pace. The sales staff is divided into two units, Class A and Class B. Class A comprises the salesmen having the best records while Class B is made up of the other half—new salesmen are placed in Class B. At the end of each ten-day period, one half of Class B members—those with the highest records—become members of Class A and the half of Class A having the poorest records become Class B members. Thus, there is a constant shifting which stimulates rivalry. Cash rewards for Class A salesmen are double those of Class B members, making it especially desirable to become a Class A salesman. The rewards in this contest were issued in certificates, payable at the end of the year, provided the salesmen were still in the employ of the firm. The reward represented a certain percentage of each salesman's business, making it certain that a salesman would receive a bonus on his sales even though he might not gain first place. Certificates were mailed every ten days, thus keeping the campaign constantly before the men. These certificates, in many cases, came to the attention of wives of the men with the result that there was the added spur from home to keep up the good work.

(*Sales Management*, February, 1922)

Contest of Soap Manufacturer in Big City Territory.—The following is a summary of a sales contest conducted by a large soap manufacturer in New York City and contiguous territory and also planned for operation in other large cities:

1. The entire territory to be worked was divided into three parts, with a supervisor over each district.

2. The territory was divided into seven sales districts, with a team captain in charge of each.

3. Each of the seven teams was designated by a special name, so as to increase the spirit of friendly rivalry that is present in real games.

4. Each salesman was assigned to a certain exclusive subdivision of the territory in his district as his special field of operation.

5. Each salesman was supplied with proper working equipment, consisting of order book, report blanks, expense blanks, samples of soap, soap powder, lye, lime, etc., with price lists, stamped envelopes, etc.

This material was put into a Boston bag, and in order to make the salesman appreciative of his outfit, he was charged \$3, this amount to be deducted from his salary should he leave the service of the company or fail to return the outfit in good order. No charge was made where the outfit was returned in good order.

6. The salesmen were also furnished proofs of the newspaper advertising about the campaign and with information as to the number of homes reached by this advertising, together with samples of the window-cards and other display material furnished dealers by the manufacturer for use during the campaign.

7. It was the idea of this soap manufacturer to have this contest conducted as a game of baseball, and so the report cards were made out in baseball language. These were to be mailed daily, showing the number of calls made, the amount of stock carried by the dealers called upon, the supplies sold, or reasons why a sale was not made. For example a system of lettering was used. O meant "out", or that the dealer could not be seen; S meant "strike", or that the salesman was successful in seeing the dealer but was unsuccessful in selling him; H meant "hit", or an order amounting to a certain number of cases; 2H meant a two-base hit, or an order amounting to a greater number of cases; 3H meant a three-base hit, and so on, while HR meant a home run, or an order for a certain amount. From these daily report cards from the salesman, the team captain made up a weekly summary. If reports were not mailed to the team captain daily or were not properly made out, the player, or perhaps the team, was penalized.

8. Special bulletins were sent out to the salesmen during the campaign, showing the standing of each individual salesman, as well as the standing of each team, with the number of home runs, hits, strikes, etc. made by each.

9. The merchandising department of the *New York Evening Journal* and two other papers were induced, through newspaper advertising, to cooperate with the manufacturer to the extent of putting in 5,000 window-displays throughout the city and in getting the dealers to help in every possible way to make the campaign a success.

10. As a means of making it easier to sell to the dealers, the manufacturer made a number of special offers during the campaign, allowing the salesmen to give a case of soap powder free with an order for a certain number of cases of other products. This special offer was made in such a way that the salesman could make the free offer one that would appeal to the dealer, according to the stock he had on hand. In other words, in many instances, in order to earn the free case of soap powder, the order from the dealer was made up of three or four different articles, while in other instances it was made up of just one article. Then, too, the free offer was sometimes changed from soap powder to something else more needed by the dealer in question. This was left to the judgment of the salesman and the requirements of the contest were such that the salesman would not be likely to abuse this privilege.

PRIZES AWARDED

1. Prizes were awarded according to the number of sales or orders meeting the requirements of the credit department

- (a) The first prize was awarded to the team making the highest score.
- (b) Individual prizes were also presented to the salesmen of each team making the highest score.
- (c) Special prizes were presented to the salesmen closing the largest number of orders for lime and lye.
- (d) There were other special prizes, which were announced from time to time.

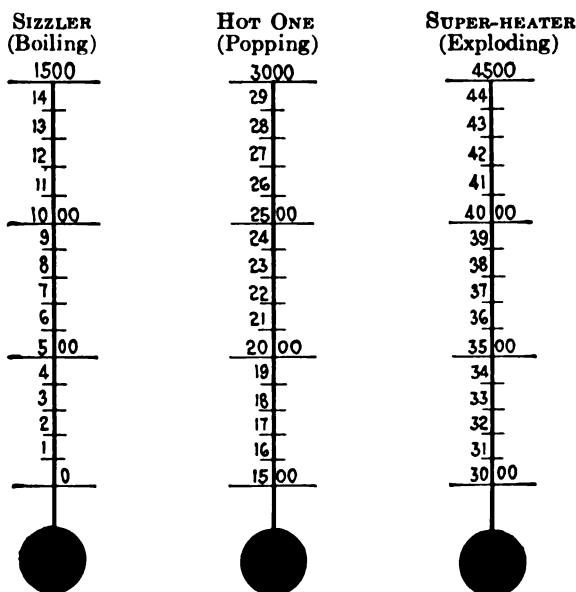
A firm conducting a contest of this kind might perhaps reap more benefit if it were made an annual feature, so that a considerable amount of interest would be created and maintained as to what team would retain ownership of the first prize for the longest period or what team would win it the greatest number of times.

"THERMOMETER-BUSTING" CONTEST FOR HOT WEATHER

Exhibits 138, 139 and 140 are from a successful summer month contest conducted by the Extension Division of the United Y. M. C. A. Schools in the selling of correspondence courses. This department of the Y. M. C. A. educational work is a central department offering a comprehensive list of correspondence courses. These courses are not designed to supplant resident class teaching in the Y. M. C. A. schools of the various cities but offer the spare-hour student a much greater variety of courses than he can ordinarily get in an evening Y. M. C. A. school. As many hundreds of cities with Y. M. C. A. organizations have no educational departments of any kind, the Extension Division serves as the educational end for these.

The thermometer idea is a timely one. The natural tendency of the salesman is to think of hot weather as a season for relaxing effort and a season, anyhow, in which the prospective student is disinclined to begin a course of study. The contest ran through June, July and August, but, in order to provide an incentive in the first and second months, prizes began as soon as the salesman reached the \$1,500 mark. The

man who reached this mark was known as a "Sizzler" and the earning of his first premium transferred him to the next class which was known as the "Hot One" class. The thermometer for the second month shows the business totals from \$1,500 to



Your Standing Week Ending
is indicated by the Arrow

The Leader in Your District is

The Leading District in the U.S. is

EXTENSION DIVISION

SALES DEPARTMENT

EXHIBIT 138.—Postal card notification to salesman of his own standing, the standing of the high man in his district and the position of his district in the contest.

\$3,000 with prizes available at the \$2,000, \$2,500 and \$3,000 marks. When the "Hot One" reached the "Popping-off Point"—\$3,000—he became a "Super-heater" and went into the third class. In the third unit of his quota he had oppor-

tunity to win prizes at the \$3,500, \$4,000 and \$4,500 marks. After he reached \$4,500 he was said to have "exploded" but, nevertheless, he had opportunity to win other prizes for each additional \$500 worth of business. The prizes were all uniform—\$10 gold pieces.

The United Y. M. C. A. salesmen worked under the direction of district representatives, and there were fifteen districts. To the district whose representatives were in the lead at the close of the contest was awarded a \$10 gold piece for each contestant

THE MERCURY GOING UP - CONTEST												
EXTENSION DIVISION - SALES DEPARTMENT									DIST. NO.	DATE	STANDING OF ALL DISTRICTS PLACE DIST. 1st.	
DIST. REPRESENTATIVE												
SIZZLER	HOTONE	SUPERHEATER	SIZZLER	HOTONE	SUPERHEATER	SIZZLER	HOTONE	SUPERHEATER	SIZZLER	HOTONE	SUPERHEATER	2nd
1500	2000	4500	1800	2300	4800	1500	2000	4500	1500	2000	4500	3rd
10000	25000	40000	10000	25000	40000	10000	25000	40000	10000	25000	40000	4th
5000	20000	35000	5000	20000	35000	5000	20000	35000	5000	20000	35000	5th
10	15000	30000	10	15000	30000	10	15000	30000	10	15000	30000	6th
●	●	●	●	●	●	●	●	●	●	●	●	7th
											8th	
											9th	
											10th	
SIZZLER	HOTONE	SUPERHEATER	SIZZLER	HOTONE	SUPERHEATER	SIZZLER	HOTONE	SUPERHEATER	SIZZLER	HOTONE	SUPERHEATER	11th
1500	2000	4500	1600	2000	4500	1500	2000	4500	1500	2000	4500	12th
10000	25000	40000	10000	25000	40000	10000	25000	40000	10000	25000	40000	13th
5000	20000	35000	5000	20000	35000	5000	20000	35000	5000	20000	35000	14th
10	15000	30000	10	15000	30000	10	15000	30000	10	15000	30000	15th
●	●	●	●	●	●	●	●	●	●	●	●	●

EXHIBIT 139.—Summary for the district manager showing standing of all his men and the relative position of all districts in the contest.

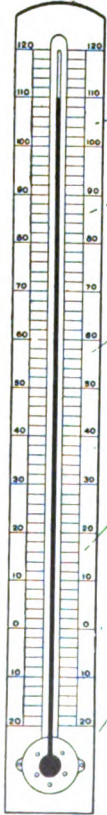
reaching \$1,500 gross business or a larger total. An additional prize was given to the district representative whose district led in the total of production from all sources.

Exhibit 138 was printed on a Government postal card and was sent every week to individual salesmen showing individual standing, the leader in his district, as well as the leading district.

Exhibit 139 is the score or record of the contest sent out every week to each district representative. This showed him

THE MERCURY IS GOING UP

Sizzlers, Hot Ones and Super-Heaters
Will Make 110° in the Shade
Seem Like Zero



READ HOW

Beginning midnight, May 31st, and ending midnight, August 31st, there is to be conducted by the Extension Division, Sales Department, a contest which will make all you boys in the field wish the weather out your way was hotter.

Every Route Salesman, Association Salesman and Resident Agent is entitled to enter this contest. Only one condition is named—you must be a live wire, a real heat producer, one who can get up a sweat and who can make the mercury rise.

Refrigerator Lizards, Cold Shower Performers, and Stay-in-the-Shades need not apply.

There is a prize for everyone who really gets results. Competition will be keen between the various Districts, and between the men within Districts.

Each District Representative will marshal his forces, and start agreements running into the New York Office so fast it will keep the Registrar's desk hot as they go over it. Production records will be smashed and the thermometers "busted."

HERE IS THE PLAN



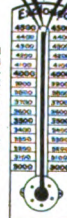
A SIZZLER

In one who takes enrollments to the amount of \$1500 gross. No prizes are given until the \$1500 mark is reached. When this thermometer registers 1500, then the Sizzler gets a prize and is transferred into the next class, which is the "Hot One" class. When the mercury reaches the top of this Sizzler thermometer, the temperature will be boiling.



A HOT ONE

In one who has exceeded \$1500 gross business and who is making the thermometer crawl up toward the "Popping Off" temperature. Prizes are given at 2000, 2500 and 3000, which represents \$2000, \$2500 and \$3000 gross business, respectively. When a Hot One reaches the popping off point, he becomes a "Super-Heater."



A SUPER-HEATER

Is the boy who makes the steam rise and who, if he runs the mercury to the top of the thermometer, explodes it, the "boiling" record. Prizes will be given at 2000, 4000 and 4500, these temperatures representing \$2000, \$4000 and \$4500 gross business, respectively. If the thermometer is exploded and the temperature still goes up, a prize will be given for each additional 500 degree raised.

RULES

- All these five enrollments, when properly recorded, and where first of full payment has been reflected, will count, whether they are straight bill pay or 30/90 we service account.
- Each of the five enrollments taken may be taken at the reduced premium rate as allowed under "Modification of Terms" plan as outlined in the Handbook.
- Enrollments recorded at the New York Office which are post-dated or later than 12 months, August 1st, 1925, will not count, even though they do not reach New York until four or five days after closing date. The results will be kept open one week after closing date.
- Any Route Salesman, Resident Agent, or Salesman on the staff of an Association may compete for these prizes.

- In order that we may know who will enter this contest, if wishing to do so, we will fill out the enclosed card and mail to this office at once.
- Any contestant entering the contest after June 1st (due to late appointment or failure to get orders for headquarters) will be given an allowance of 20 degrees for each working day he cannot be kept in the field. To illustrate: A salesman appointed to begin work June 15th would have but 13 working days, therefore he would be given a credit or allowance of 260, i.e., 20 x 13. Such allowances are not to exceed 300 degrees.

- The same care in taking enrollments should be exercised during the contest as is exercised when in course of a program, i. e., several students in course could be given a prize and with a view to setting them, not simply to get their money.
- All merchandise received by the contest committee (having Headquarters Mail Order) will be kept on the shelves for the contest, which they may.
- District men and contestants will be advised quarterly monthly by the New York Office of the standing of the entries within the Districts and of the standing of the Districts.

HERE ARE THE PRIZES

Route Salesmen, Resident Agents, and Association Salesmen			
When the Sizzler	Thermometer reaches 1500	One \$10 Gold Piece	
" " Hot One	" " " " 2000	Another 10 " "	
" " " " " "	" " " " 2500	" " 10 " "	
" " " " " "	" " " " 3000	" " 10 " "	
" " Super-Heater	" " " " 3500	" " 10 " "	
" " " " " "	" " " " 4000	" " 10 " "	
" " " " " "	" " " " 4500	" " 10 " "	

In other words, when the "Sizzler" reaches 1500 degrees the contestant gets a \$10 gold piece and is given another one for each 500 degree rise in the thermometer. A Representative securing \$1500 gross will get one \$10 gold piece, a Representative securing \$2000 gross will get two \$10 gold pieces, etc. The Sky is the limit as to the number of gold pieces he may earn.

District Prize	
To the District Representative whose contestants lead at the close of the contest,	will be given a \$10 gold piece for each contestant reaching \$1000 or over gross business. These gold pieces are to be distributed to the winning contestants by the District Representative.
Prizes for District Representative themselves will be awarded according to the prizes of the contestants in their Districts. A prize will also be given to the District Representative leading in total production from all entries. A list of these prizes will be supplied the District Representative.	

There is a contest that is fair for one and fair for all. Every contestant can, and should win one or more prizes.

The Mercury Is Going Up. Explode The Super-Heater Thermometer.

Extension Division. UNITED Y. M. C. A. SCHOOLS, 375 Lexington Ave., N. Y.

EXHIBIT 140.—Reproduction of poster explaining the summertime contest to the sales organization of the United Y. M. C. A. Schools selling correspondence courses. This poster was printed in two colors, the sun, the sun-rays and the mercury in the thermometers being red. Three of the display lines were also in red. All of the phraseology in this contest was of the summer time variety.

the standing of all of his men as well as the standing of all the districts.

The sales representatives of the United Y. M. C. A. Schools entered into this contest in a good sporting spirit and the result was a successful summer's work for the organization as a whole.

Trip-around-the-world Contest of the Parker Pen Company.—In describing this contest to a group of advertisers, George S. Parker, President of the Parker Pen Company says: "It was one of the most successful sales campaigns we ever conducted."

Prior to the inauguration of the contest, the whole idea was thoroughly outlined to the salesmen. The literature sent to the salesmen contained matter of considerable news value, so there was not much difficulty in getting their interest.

The idea of this contest was to make up the territory of each salesman in such a way as to have him, in imagination, make a trip around the world. For every hundred dollars worth of sales, the salesman was relocated as having covered a certain number of miles. For example, all salesmen were supposed to start from Janesville, Wis., the location of the factory of the Parker Pen Company. A certain number of sales would take the traveler from Janesville to Chicago, a distance of about a hundred miles. Then, the next stops would be South Bend, Ind., Cleveland, Ohio, Buffalo, N. Y., and so on.

Mr. Parker says, further:

As soon as the contest really started and everybody was off, the fun began. Of course, considerable interest centered around the remarks that were made about this or that traveler who had gotten stranded upon a desert, or in the ocean, where he was compelled to get a lifeboat to get away; the sights they saw after going into Europe and other foreign countries, and so on. All this worked out into a very interesting story.

Regular bulletins were sent out to the salesmen, showing the progress of the different travelers. Some of these bulletins consisted of maps of the world, with markers showing the locations of the different contestants. These were not only

appropriate, but made it easy for the sales executive at the home office to build newsy items about the adventures of the travellers.

The prizes offered were for the most part cash prizes—about \$300, divided into first, second and third prizes—with many minor prizes in the way of high-priced, specially mounted fountain pens.

The success of this contest was such that the Parker Pen Company has planned to repeat it. This is another illustration of the well known truth that the game instinct is strong in men—so strong that when the every-day, humdrum things of life can be carried out as a sort of game the results are usually far more satisfying to both employer and employe than when the same duties are treated in a routine, matter-of-fact way.

Plan Used by Hammermill Paper Company for Sales Agencies.—The following description of a recent sales contest plan conducted by the Hammermill Paper Company among its agents shows the application of the point system to a contest among salesmen of a large number of agents and paper dealers.

Contest by Groups, Not Individuals.—As the contest was primarily one among the company's sales agents rather than the individual salesmen, all the employes of each sales agent were regarded as being in one group. The contest was determined by the total sales of the agent's men. Following was the system of points:

	POINTS
1. Largest sales in pounds of Hammermill Bond.....	60
2. Greatest number of orders for Hammermill Bond sold by each group (includes special finishes and Hammermill Bond Ruled Headings).....	60
3. Largest sales in pounds of Hammermill Ledger.....	40
4. Greatest number of orders for Hammermill Ledger sold by each group.....	40
5. Largest sales in pounds of Hammermill cover.....	30
6. Greatest number of orders of Hammermill cover sold by each group.....	30
7. Largest sales in pounds of Hammermill Safety.....	20
8. Greatest number of orders of Hammermill Safety sold by each group.....	20

POINTS

9. Largest percentage in pounds of purchases (orders) for a total of the four advertised lines—viz. Hammermill Bond, Hammermill Ledger, Hammermill Cover, and Hammermill Safety—during October, November and December of this year (1921) as compared with the monthly average shipment to each agent during 1920. The total pounds purchased or ordered during the three months will be divided by three to obtain the monthly average shipment for the same grades during 1920.. 30
- Total..... 330

The number of points indicated in each item of the foregoing table was given to the group earning first place. Credit was given, also, to those who earned second, third, fourth, fifth, sixth, seventh, eighth, ninth and tenth places, according to the following table:

	1	2	3	4	5	6	7	8	9	10
Hammermill Bond										
Largest sales in pounds.....	60	54	48	42	36	30	24	18	12	6
Greatest number of orders.....	60	54	48	42	36	30	24	18	12	6
Hammermill Ledger										
Largest sales in pounds.....	40	36	32	28	24	20	16	12	8	4
Greatest number of orders.....	40	36	32	28	24	20	16	12	8	4
Hammermill Cover										
Largest sales in pounds.....	30	27	24	21	18	15	12	9	6	3
Greatest number of orders.....	30	27	24	21	18	15	12	9	6	3
Hammermill Safety										
Largest sales in pounds.....	20	18	16	14	12	10	8	6	4	2
Greatest number of orders.....	20	18	16	14	12	10	8	6	4	2
Per Cent Relation orders to 1920 shipments.....	30	27	24	21	18	15	12	9	6	3

Taking the first item as an example: the group selling the largest volume would get a credit of 60 points. The group earning the next largest volume would get 54 points. The third in volume of sales would get 48 points, and so on.

Giving Smaller Agents Opportunity.—As there was considerable difference in the volume of business among paper dealers, it was decided to group all agents into two general classes.

Group A included agents whose monthly shipments in a previous year reached a total of 20,000 pounds, or more, of Hammermill Bond. Group B included those whose monthly shipments during the previous year had been less than 20,000 pounds of Hammermill Bond.

The prizes were the following:

GROUP A		GROUP B	
First Prize.....	\$400	First Prize.....	\$200
Second Prize.....	\$300	Second Prize.....	\$150
Third Prize.....	\$200	Third Prize.....	\$100
Fourth Prize.....	\$100	Fourth Prize.....	\$ 50

It was left to the prize-winning agents to decide just how the prize money should be distributed among the individual salesmen taking part in the contest, but the Hammermill Paper Company advised each of its agents to outline some contest plan similar in purpose to the Hammermill program, so that each man would have a fighting chance to win some sort of recognition for his work, no matter what his class of customers or the kind of sales work he was required to do.

To add a final touch to the contest—a sort of dessert to the dinner, as it were—the Hammermill Paper Company agreed that each agent in each of the groups could award a prize trip to the Hammermill plant to the salesman making the best general record as an individual. The Hammermill Company agreed to entertain these prize-winning salesmen at its own expense and to give them an interesting business vacation at its factories. It was arranged so that all these prize trips should be taken at the same time, thus providing a group meeting of star salesmen at the Hammermill factories that was well worth while.

Contest Modeled after Six-day Bicycle Race.—The Peggy Paige Company, producers of dresses, used successfully a sales contest modeled on the idea of a six-day bicycle race. This contest, however, was only a part of the sales plan. The firm believed it to be necessary to bring to the dealer-trade some impressive new idea in order to get an unusual degree of attention for Peggy Paige dresses. The sales repre-

representatives were all called to New York without any inkling of just what was to be announced. As they gathered in the hotel room a newsboy came in, in the usual aggressive fashion while the dinner was being served, advertising an extra edition of something. This something turned out to be a special announcement of the company's new plan, dressed up in the form of a newspaper. The announcement dealt with the proposed sales feature for the spring, views of the bicycle race and every detail.

In announcing the plan, the manager assumed the role of salesman and addressed the group as if they were retail merchants. He brought in a big exhibit book called the "Red Book." It was a very large affair, though its apparent thickness was caused by the fact that the sheets were of cardboard instead of the usual thick paper. All the details cannot be given in this description, but the substance of the big "Red Book" exhibit was a spring style show for the retail merchant. The title on the front cover was "Bringing a National Spring Style Show to Your Store." The typography in the book was very large, making the pages like little posters, thus permitting the salesman, as he talked to merchants, to point out every feature easily. In other words, this big "Red Book" was a prospectus or portfolio of the company's spring campaign, dressed up in novel style. The arrangement of the exhibit was a very orderly one so that the salesman, in showing it to a merchant, could give a clear idea of the entire plan and proposal. Objections and questions from the retailer were anticipated, as far as possible, so that the salesman could tell an uninterrupted story. Salesmen were coached, in explaining the plan, to refer to the number of women to be reached by the advertising, to use the words "your city" or the actual name of the town rather than to discuss the promotional plan in its application to the whole country, and so on. Another book covered all details of the real spring style show—publicity material for the newspapers, fashion booklets, special invitations to women, illustrated letters, and suggested window trims. The sales campaign, as far as the manufacturer's representatives were concerned, was to run from Nov. 18 to Jan. 5, except for the usual week's holiday between Christmas and

New Year's. The central thought of the sales campaign was "a third more." The following propositions were outlined:

1. One-third more for spring
2. One third more calls or towns made
3. One-third more new accounts established
4. One-third more advertising material placed
5. One-third more time in the field.

By setting a definite increase of one-third, a salesman had something specific to accomplish. Such arrangements nearly always work out better than where salesmen simply receive an impassioned plea for more orders. Each man was assigned a quota, worked out as fairly as possible on his previous record and the value of his territory. The total of \$1,000 in prizes was offered as follows:

First, a prize of \$150, or its equivalent, for the man selling the largest volume of merchandise (based on percentage of assigned quota).

Second, a prize of \$100, or its equivalent, for the largest number of accounts sold (based on a quota of so many accounts per man).

Third, a prize of \$100, or its equivalent, for the largest number of Style Shows booked (on basis of sales helps sold to a fixed number of accounts—allowing $\frac{1}{4}$ point for each unit of sales helps sold to each merchant).

Fourth, a prize of \$75, or its equivalent, for the largest number of new accounts opened (based on a possible perfect score of so many new accounts per salesman).

Fifth, a prize of \$75, or its equivalent, for the largest amount of literature placed (based on so much per every \$100 of merchandise quota).

Sixth, a grand cash prize of \$500 for the best average showing on all counts.

The plan did not end with the announcement to the salesmen, although this part of the work was very thoroughly done and the men were made enthusiastic over the possibilities. A series of special advertisements in business publications read by the class of merchants on whom the Peggy Paige salesmen call, referred to the spring plan but did not give complete information. The advertisements were rather on the "teaser" order with references to and occasional reproductions of the big "Red Book." In notifying merchants

of the call by the salesman, special delivery letters were used. The salesman himself sent a night letter to the merchant on the day previous to his call.

Special bulletins sent out frequently during the contest to all the salesmen kept up interest. These bulletins gave the standing of the men and abounded in language which harmonized with the bicycle race idea. The sales manager also used personal letters as a means of encouraging lagging participants in the race. The results of the contest were that all of the assigned quotas were exceeded. When the contest was over, the sales representatives were all invited to New York again and the prizes were awarded at a special dinner affair.

(Summarized from *Printers' Ink Monthly*, March, 1923)

President's Cup Contest of Kalamazoo Corset Company.—Contests, like other things, fall into many different classes. Sometimes it is advisable to offer large cash rewards or prizes in order to stimulate the stagnating interest of the salesmen. But there are organizations where the salesmen are encouraged to feel that money reward isn't everything—that there are things that count for more than money.

While it is probably true that it is harder to conduct successfully a contest of the latter type, the value in building up the *esprit de corps* or morale of the organization is exceptionally good, for the salesman with the right stuff in him likes to win because he has so much pride in his work that he wants to come out on top. If the chief executive of an organization can add to this feeling of pride in work well done by offering a trophy that the salesman can exhibit to his friends and acquaintances, so much the better.

All these things were considered by the Kalamazoo Corset Company when this concern first thought of conducting a contest. It was finally decided by the president that he would offer a silver cup, and that according to the rules of the contest the cup might keep on changing hands until it had been held by the same person three times.

The salesmen were divided into three groups, according to the experience they had had and their ability. The very new

men were put in the first class, called "Rookies;" the men who were just beginning to get their bearings, so to speak, were put in still another class and called the "Beginners;" while the older salesmen of the organization were called the "Old Guard."

The score of the contest was kept according to points, the points that would be allowed for orders of certain amounts, sizes, and so on, having previously been determined and announced to the men. Temporary possession of the cup was awarded to the salesman making the highest total number of points, but he held the cup only so long as he continued to make the highest score. If another salesman's score crept up higher than that of the man then holding the cup, the cup automatically went to the other man, and so on, until one man had held the cup three times during one contest.

That the salesmen might be treated entirely fairly, the orders turned in by each of the three groups of salesmen were graded differently. For example, the Rookies received double credit, the Beginners, one-and-a-half-times credit, and so on, while the "Old Guard" received one-time credit, according to the table previously arranged.

The salesmen were required to mail their orders daily, in order that the records might be kept up to date.

The winner retained ownership of the cup until the next contest, it being the idea of this organization to have these contests a regular part of the Spring and Fall campaigns. Thus, it became quite an honor to obtain even temporary ownership of the coveted silver cup.

In commenting on the contest, F. H. Pulfer, assistant general manager of the Kalamazoo Corset Company, says:

I think that too often concerns who say that they have tried the contest idea but found it didn't work, make the mistake of not staying with the plan and thoroughly selling the idea to the sales force. It has been my experience, gained with several sales organizations, that sales can be stimulated by properly planned contests among the salesmen and that you don't have to give away a small fortune in prize money to do it.

(*Sales Management*, September, 1922)

Horse Race Contest of Yawman and Erbe Manufacturing Company.—Exhibit 141 is a reproduction of one of the bulletins sent out weekly to salesman during the contest conducted the latter part of 1922 by the Yawman and Erbe Manufacturing Company, manufacturers of office specialties. It will be seen that this bulletin, giving the ratings of the different salesmen, is based on the general idea of a horse race.

The contest began Oct. 1, 1922, and was divided into three "heats"—October, November and December—a month constituting a "heat."

The traveler gaining the greatest percentage of his quota in each month was declared to be the winner of that "heat". The contest was decided by the greatest total made by a salesman for the three "heats," but the division of the race into three parts or "heats" made the contest a much more exciting one.

The following are some interesting details of the contest:

Three prizes were awarded—\$75, \$50 and \$25.

Sundays and holidays were disregarded, and each month or "heat" was divided into five periods. The monthly quotas were then divided by five, in order to get a basis for comparison during the different periods. For example, if Traveler A had a monthly quota during October of \$50,000, he had a quota of \$10,000 for each of the five 6-day periods of October. If his actual sales for the given period were \$9,200, his rating on that period would be 92 per cent.

Bulletins showing the progress of the race were issued on every period, as soon as possible after the final day.

While this contest was in progress among the salesmen, a similar contest was carried on among the branch offices, with prizes of \$300, \$200 and \$100. The heats and periods in this contest were the same as those in the salesmen's contest.

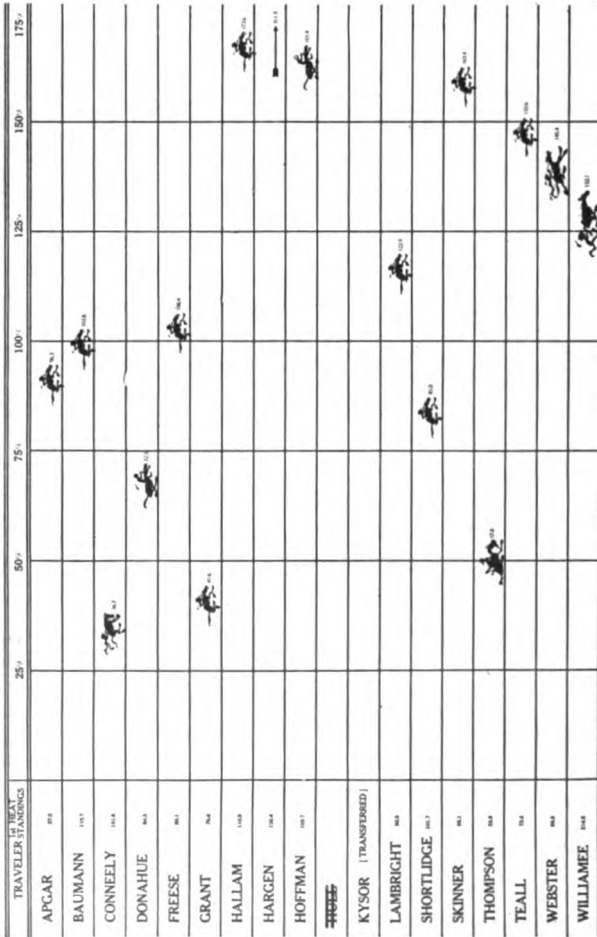
According to the terms of the contest, the prize money could be divided in any way agreed on by the branch-office manager and his salesmen, although the company made the suggestion that in the past two plans had been used successfully:

1. The division of the prize in equal parts.

November 13
to November 18

TRAVELERS QUOTA DERBY
YAWMAN and ERBE MFG. CO.

2d HEAT
3d PERIOD



1. The horse which has the highest number of points in the race is the winner. If two or more horses have the same number of points, the horse which has the highest number of points in the last race of the series is the winner. If two or more horses have the same number of points in the last race of the series, the horse which has the highest number of points in the last race of the series is the winner. If two or more horses have the same number of points in the last race of the series, the horse which has the highest number of points in the last race of the series is the winner.

EXHIBIT 141.—Graphic record of the progress of the horse-race contest conducted by the Yawman and Erbe Manufacturing Company.

2. A division on the 3-2-1 basis, according to the percentages made by the salesmen. That is, all those making over a certain percentage should get three times the share of those in the last group.

Weekly bulletins were also mailed to each branch office during the contest, the only difference being that these bulletins, instead of giving the individual names of the salesmen, listed the names of the different branch offices, with their relative standing or rating.

Clerks' Contests of United Drug Company.—As an added means of increasing sales of its products, the United Drug Company recently adopted the plan of carrying on a series of "Clerks' Contests." These are carried on from the headquarters of the United Drug Company in Boston and interfere in no way with any other contests or special bonus arrangements that dealers may have among the salespeople in their organizations.

For the purpose of these contests, the United Drug Company has divided its entire field of operations into 100 sales territories, each of these 100 groups consisting of about 75 dealers. The contest is carried on in each of the 100 groups of dealers, and three prizes are offered to the three clerks in any of the groups who make the largest amount of sales on the articles that the United Drug Company features for the particular month in which the contest may be conducted. For some years the United Drug Company has followed the practice of making up a special list of articles for the dealers each month, and the contests described here are conducted on these special articles.

Simple blanks are furnished, which the clerks themselves fill out and have O. K'd by the store manager or proprietor at the end of the month. Prizes are awarded on the basis of the records shown by these blanks.

In describing this contest, the United Drug Company says:

The salesperson in the large store has no advantage over the man in the small store. The big-store clerk may have greater opportunity to sell some of the specials offered, but his efforts are confined to a certain counter or a certain section. On the other hand, the

November Specials—Clerks' Contest																																				
Item	Manufacturer	Month's Quota	Sales Quota	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	Total	Percent Share of Sales Quota
Klauer Dental Cream (16 Oz.)																																				
Justed Cold Cream																																				
Hair Brushes																																				
Revell Mouthline Balms (1 Oz.)																																				
Revell Deodor (2 1/2) Free with Pepsin																																				
Purenet Glycerin and Rose Water (1 Oz.)																																				
Purenet Mineral Oil Ravens Brand (18 Oz.)																																				
Liggett's Whole Cherries in Cream (1 Oz.)																																				
Cadet Chocolate Covered Fruit Fudge (1 Oz.)																																				
Morgan Water Bottle																																				
Maximum Dressing Comb																																				
Ladies Handbag Comb																																				
Zinc Oxide Ointment (1 Oz.)																																				
G. E. Citrate Magnesia (1 Oz.)																																				
Lord Baltimore Papeterie																																				
Ballerale Marshmallow Cream (18 Oz.)																																				
Ballerale Marshmallow Cream (18 Oz.)																																				
Scott Flashlight (Plain Case With Battery Free)																																				
Scott Flashlight (of New Case With Battery Free)																																				
Firstaid Quick Acting Plaster																																				
Total																																				

EXHIBIT 142.—Part of monthly record sheet for retail salesmen in United Drug Company sales contest.

small-store clerk has a chance to sell any one of the specials offered, because he roams about the entire store. In a recent country-wide contest similar to this one, more than half the winners were from the smaller stores.

One of the forms used in these Clerks' Contests is shown in Exhibit 142.

The United Drug Company does not believe that it has done its duty toward making these special offers a success when its executives have staged the contests here referred to. The company furnishes each dealer with an outfit for conducting the sales successfully and profitably, together with window pasters announcing the sale, counter- and window-displays,

SUBSCRIPTIONS RECEIVED to Dec. 12, 1922

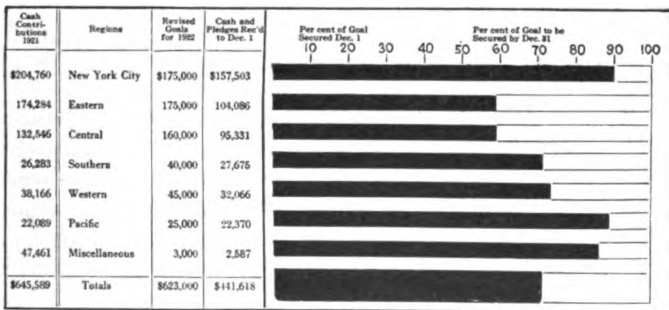


EXHIBIT 143.—How a benevolent association charts the progress of a subscription contest or drive. The first seven bars show how far the various regions have progressed toward their quota.

price cards for the different articles, a booklet giving the best selling arguments for use of the clerks during the contest, as well as other pertinent helps.

In describing this contest the "clerk" phraseology is used as the United Drug Company used it. It seems desirable, however, to dignify the retail salesman with a more definite name than that of "clerk."

Exhibit 143 is an excellent form of wall chart combining figure columns with the bar method, thus giving full details of the progress of the various sales regions toward their quota.

USE OF MAPS IN CONTESTS

The map-and-tack system is used very generally in sales contests. A business organization using this system calls attention to it by a caption printed in two colors across the first and second pages of its sales bulletin, this bulletin being issued frequently. This caption is indicated by the panelled matter below.

THE BIG "MAP" CONTEST

**Several Interesting Color Changes
Take Place and a Number of New
Star Agencies Appear, according
to the Nine Months' Figures**

The sales manager of this organization, explaining how the map makes a strong impression on the salesmen, says:

When salesmen come into the office, we can take them before the big map and show them graphically what they are doing in relation to other salesmen. In this way it furnishes an incentive to renewed and vigorous effort. If an agent finds, for example, that he is marked up with a salmon ticket in the midst of a field of blue and white tickets, it requires no sermon from us. He sees at a glance that he is not "delivering the goods" and that he must speed up.

The colored tickets mean a great deal. Corresponding colors are flashed in the bulletins from time to time, so that there is no chance for a salesman to forget the significance of the colors.

Besides the wholesome enthusiasm that the system creates in a selling organization, there are many other benefits. The importance of graphic control need not be emphasized. We can go to the board and instantly secure a vast fund of information that might otherwise require hours of search in the records. Once the map-tack system is started properly, it requires only a little time each day to keep it up to the minute.

SECTION XIV

CONVENTIONS AND CONFERENCES

In those organizations where hundreds or thousands of salesmen are employed and scattered throughout a large territory, the cost of a general convention may be so great as to make it impracticable. This is a matter to be decided by every management after a study of all the conditions. It may be expedient to hold a number of conventions or conferences rather than to arrange for one large affair at a central point.

Notwithstanding the occasional expression from sales managers that individual contact is more effective than "group treatment," the fact remains that the men of most aggressive organizations are brought together occasionally for consultation, instruction and inspiration, with good results.

The material that follows, drawn from a number of interesting experiences, is presented on the assumption that some kind of convention or conference is of interest to the reader who turns to this Section.

PSYCHOLOGY OF THE SALES CONVENTION

Valuable as the interchange of experience is, and important as it is for the management to get the men of a sales staff together in order that essential information may be imparted to all, the richest fruit of a sales convention is usually the enthusiasm and the resolution that the men take away.

Their enthusiasm and resolution are not likely to rise to a high pitch if the men sit hour after hour and day after day listening to long talks by home office men, if all that they hear consists of generalities—"pep" addresses, the need for more sales, and so on.

Having Salesmen Aid in Forming Plans.—The wise general manager and the keen sales manager find ways of having the men themselves either suggest what ought to be done or aid

in working up a plan. Sometimes the committee plan is adopted. That is, after a thorough discussion of the problem has been held, a group of salesmen or salesmen and district managers is appointed to review the situation and present a recommendation to the management. Then, if the plan is finally adopted, it goes out as something that the men themselves have played a prominent part in framing, which at once removes from the minds of the men the notion that the plan is an impractical "home office" one.

At an annual convention of the Aluminum Cooking Utensil Company, the district managers, who were seated with their men, were called on, after the general manager had outlined plans for the coming year, to say what amount of goods they could sell. Very likely the general manager had already settled in his own mind what the percentage of increase would be, but he wisely concluded that he would prefer to have the men themselves commit their districts as to what they could sell. He was careful to call first on those districts that had made a good showing and that would confidently set a good quota for themselves for the new year. Immediately there was good-natured challenging and matching by the different districts. But the general manager checked any effort to put down figures that the salesmen could not reach. Said he:

The factories are depending on you to say just what we shall manufacture. We will make our plans here by what you say you will do and we will rely on you to do that.

At this same convention the management had in mind a plan of giving the retail dealers of the company a new aid—a reading course in salesmanship for their salespeople, a series of loose-leaf bulletins sent out every two weeks. While the management was convinced of the merit of the idea, the support of the salesmen was needed. So the plan was outlined and the opinion of the men asked for. "Fine," they declared, to a man. Responded the sales manager:

All right, we are glad you approve, we will put it through, and we will count on your assistance—every one of you. We will present the idea first to the retailers and ask for the names of their

helpers, for their home addresses, where the employer prefers this. But, of course, we won't get responses from more than half of them, if we get that. Many retailers who will really want this new service will just neglect to respond. You will have to fill in the weak spots, get names where the merchant fails to send them to us after getting our announcement and follow-up.

The result was the hearty cooperation of the men in the field. Their opinion had been asked, they had indicated that they wanted the new plan introduced and they felt obligated to give it their close attention.

David Adler & Sons' Experience.—In a convention of the salesmen of David Adler & Sons Company, clothing manufacturers, a live question was the following: "Why should salesmen not dispose of all returned special orders?"

The problem of returned suits made to special measure had to be dealt with. Too frequently these were being returned on the slightest pretext, causing the company a complete loss. These suits were made according to measurements taken by the retailer or by the company's own salesmen. The men were told that a proposal was under consideration whereby the salesmen would bear 50 per cent of the loss in such cases.

One of the men proposed, "Make the salesman pay all of it!" The suggestion was at once agreed to by a number of others. It was voted upon and unanimously accepted. Since then, a specially made suit that is returned is charged against the salesman; he pays for it and has it to dispose of. Such a ruling if arbitrarily put into effect by the company would have caused considerable feeling.

All the topics on the list were threshed out in the same manner, the sales manager guiding the discussions so as to make suggestions and the final issue literally come from the salesmen. Consequently policies appear to originate with the salesmen at the meeting and are approved by them—not forced upon them.

Verbatim reports of the Adler meetings are no longer given the men. The conclusion was that they were not carefully read. The Adler program is printed with sufficient marginal space for notes and the salesman is expected to keep this program and his own data for reference.

The conventions of this manufacturer are held semi-annually.

(Printers' Ink Monthly, September, 1922)

Putting Through a Definite Task.—A sales convention of building material salesmen affords an example of the value of committing the men to a definite standard or task. The company holding the convention had no representative in thousands of towns and villages where its class of material was used. In every salesman's territory there were hundreds of these points, so many in fact that he had doubtless become accustomed to thinking of the task of getting representation at every purchasing point as endless or impossible.

So the general manager, instead of making the usual inspirational appeal of, "Jump into the work with both feet and don't stop until we have a good dealer for Blank products in every town," saw the psychology of laying out a task that any of the men would think himself able to perform.

Couldn't each of you in the next six months, he asked, get the company a new dealer in 20 towns in your territory where we are not now represented?

Every man seemed to think that was easily possible. Twenty new dealers did not seem to be a large number.

All right, said the manager, now you pick the towns yourselves. We could do it, but it's your territory and we would rather have you make this selection. Furthermore, we don't want to go to some commercial or other directory and pick out a lot of names of dealers, some of whom may not be the best selections. Wouldn't you rather go to each of your towns yourselves, look the field over carefully and then report to us the name of the best dealer-prospect there for us? Then we will get to work from the home office and do everything we can, through our follow-up department, to pave the way for you and help your personal solicitation.

The strategy here was to concentrate the salesman's effort, so far as new dealer representation was concerned, on twenty

definite points that would be selected by him, and on twenty prospective new dealers that he would select himself. By so doing, the management removed all danger of the salesman's feeling that in certain towns it was inadvisable to start a new account because of a nearby active dealer, also the salesman's criticism of a prospective dealer that might not be the best choice.

It was easy, of course, after the first twenty towns had been properly worked to pick another twenty. But to work the plan in lists of twenty towns brought a degree of concentration and confidence that would not have existed had the salesman been turned loose in his entire territory to get new dealers everywhere.

"What Do You Think Is the Best Way?"—Howard Heinz, general manager of the H. J. Heinz Company, has an effective method in sales conventions of letting a zealous salesman outline a problem and then suddenly asking him, "What do you think is the best way of handling that?" If the man's answer is reasonable, Mr. Heinz's reply will likely be, "I think that is a good solution. What do some of the other men think about it?"

Swapping Experiences.—The successful experiences of good men, who can talk well, have big educational value. For example, if a salesman working in and around Boston feels that he is badly hampered by conservative territory, he may be helped by listening to the tactics followed by the representative in equally conservative territory in and around Philadelphia.

A general, indefinite talk by a man with a very good record usually proves to the other men that he is far from sure just how he manages to roll up his sales. There is always the tendency to feel that a like record could not be duplicated in a particular individual's territory. So the sales manager must make sure that the message of his better men has an educational value with a definite point. Every man is likely to feel that his problems are peculiar to his particular territory. He may shift the responsibility for poor sales on this argument, so this is the big point to meet in preparing subjects to be discussed at a convention.

Critical Reviews of Records.—Salesmen should not be made to feel that they attend conventions to be scolded or to stand the brunt of the remarks of a sarcastic sales manager, but there are many valuable lessons in the shortcomings of salesmen that can be helpfully brought out if handled tactfully. The president of a large organization, in referring to the good record of sales of one salesman, brought out the point that the number of dealers in this man's territory had actually decreased during the preceding year. He went on to explain that concentration on a few dealers might keep sales at a creditable level, but the only way to weather the dangers of a business slump was to strive for proper distribution. This prevented the men with good sales from feeling satisfied unless they were making proper effort in that direction.

There is on record an instance of a district manager who would not follow up promptly leads furnished him by the home office, nor would he make his reports promptly. At a convention he was pointedly criticised for this fault and his attitude was that of open resentment. He flatly denied any justification for the reproof. However, when this man returned to his territory one of his first moves was to get his men together, tell them how he had been rebuked and demand that they do everything to meet the requirements of the home office. The result was a decided improvement in his territory.

Good Use of Chart of Records of Men.—Large charts of various kinds may often be used to advantage in sales conventions.

One instance of a particularly good use of a chart was an occasion when a 10 by 15 feet wall chart formed the background of the chairman's platform. In opening the meeting, the chairman unrolled the chart. Although he talked for a while without making any reference whatever to the comparisons shown, the men very quickly got all of the principal details.

This chart showed not only each man's record on each of the company's products, but showed the average sales per capita per territory. An average or standard line divided the men of better than average record from those of lower average record. The sales manager, who was acting as chairman, made it a

point to comment on those who had exceeded the average, but made no disparaging remarks about those who were below the line. The men who were below the line needed no scolding. The chart spoke for itself, and the pleasing remarks made about the men who had gone beyond the average were sufficient to drive the lesson home.

Throughout the convention, this very complete wall chart served a useful purpose many times. It showed the cold facts and checked any inclination that a speaker might have to use a little fiction. If the speaker advanced any argument, for example, with respect to population, the chart showed whether he was right or wrong. In other words, it was an accurate and complete picture of the work done by the sales organization.

Dramatic Announcement of High Record.—When a high-water mark was reached in one organization for a month's sales—it included a commission of \$3,000 for one month's work, with only one helper to pay out of this amount—this record was concealed during a period of several weeks, so that it might be made known at the annual convention. The announcement was received with hearty applause by the salesmen, because they knew better than any one else the credit that was due a man who could make such a record.

Sales Value of Friendly Conference.—Even in those organizations where a big annual or semi-annual convention is not practicable, there is a tremendous value to be drawn from group meetings. The organization may be one of city or county salesmen, where the force can be easily assembled once a week. Or the campaign may be of a special sort, to raise funds, for example, for a Community Chest, a Board of Trade Guarantee Fund, a new Y. M. C. A. Building or some other special purpose; and the sales force may be a temporary one made up of volunteers.

It is a real business education to take part in some of these specially organized sales or subscription campaigns where the work is concentrated in a week or a month of special effort. There is valuable psychology in these campaigns, from the organization of the movement down.

For one thing, the team spirit is infused into the men. Leaders are picked whose personalities inspire enthusiasm and energy. The ratings of these teams are shown day by day and there is much good-natured rivalry over the relative positions. In many of these campaigns there is a daily luncheon, served perhaps by the women of first one church and then another, or possibly by some civic organization. The leading team each day is awarded the honor of having a flag at its table, and very likely there is a booby prize for the tail-ender. These marks of distinction are put on the tables with good-natured chaffing.

A feature of the civic subscription campaign is some kind of record of the progress of the campaign posted in a conspicuous place in the city. This may be a clock, a thermometer or some other such device that can be changed from day to day to indicate the total sales or subscriptions.

Furthermore, in campaigns of this kind there is usually a card list of prospective purchasers or subscribers. These cards will indicate about the amount the prospective subscriber will buy or give. The solicitor, in order to forestall a small sale, is coached to say "We have put you down as one of our \$500 men." Even if the subscriber is unwilling to pledge that amount, he is usually complimented by being rated highly and if his first impulse was to say \$50, he will probably largely increase that amount.

At these daily or weekly conferences there is good opportunity for exchange of interesting experiences, good talks on how to overcome certain objections. The very fact that men meet and sit down together at the same table promotes a spirit of teamwork that is helpful in any large sales effort. If a member has been slack in his effort, attendance at one of these meetings is certain to enliven him. Singing and other kinds of music frequently help.

In organizations that are more permanent than those organized for some special subscription drive, the Saturday morning meeting is a source of helpful interchange and new information. Such meetings are particularly suitable in city sales organizations selling to the retail trade, as conditions sometimes make Saturday a poor day on which to visit retailers,

unless some helpful service can be given, such as aiding in a demonstration or installing a display.

WHAT CAN BE DONE THROUGH SALES CONVENTIONS

1. Salesmen can get first-hand information about the home-office method of manufacturing, packing, and so on.

2. Opportunity is given for frank discussion of terms, relations with credit department, and many other topics that some salesmen find difficult to grasp through correspondence methods.

3. The salesmen can be drawn on for actual experiences with competition and a reflection of the general trade situation.

4. The views of the various branch managers and the views of the salesmen can be obtained on new plans or new policies under consideration. In this way the men can be made to feel that what is finally done is partly of their making.

5. Opportunity is afforded for the home office officials to get thoroughly acquainted with the various types of men employed. The men, at the same time, have a like opportunity to learn the individualities of the home office executives.

6. The convention can be made one not only of general understanding but also of keen enthusiasm as the leaders from different groups rub elbows and exchange experiences.

PLANNING CONFERENCES AND CONVENTIONS

The sales manager who is talking "planned selling" to his men should take his own medicine by arranging for orderly and thorough conferences.

Some of the Things That Make for Success.—1. Have a well-defined plan of the convention, as a whole, long before it is held.

2. Appoint a committee of men on the selling end at the home office of the organization and have these men meet daily, or several times a week, to make plans for the convention. This should be done for several weeks in advance of the convention date.

3. Have letters sent out to all salesmen, asking for suggestions, information about problems that have proved

troublesome in their work, topics on which they prefer to have discussions, and so on. Such a course not only gives the home office a good idea of conditions in the field but makes the men feel that their opinions and suggestions are valued, which goes a long way toward building up loyalty and good-will—the biggest assets any concern can have.

4. When the replies from this questionnaire come in, have them carefully classified and reviewed, making use of as many as possible. These suggestions from the field men will often cause the home office officials to think of new policies, new methods of demonstrating, variations of the selling plan so as to overcome obstacles, and so on.

5. Have a tabulation made of all points or questions on which discussion is to be held and furnish the salesmen with copies as early in advance as possible, so that those who are to head discussions may be well prepared to do their part.

6. Announce to the men at least some of the things that will come up for discussion, asking them to be prepared to take part. Proceed on the principle that some man in the organization will probably have a good answer for every problem. Only by having the other men know about these experiences can the organization as a whole increase in sales power. It is a compliment to a man to let him know beforehand that he will be called on to open a topic, or to act as chairman.

7. Don't make the mistake of having some topic that has long ago been settled satisfactorily brought up again simply because one or two of the salesmen may be "sore" or out of sorts and want to hash over an old story.

8. Don't let some man who may be out of sympathy with the company's policy or practice precipitate a discussion that will be both irritating and time-wasting. Perhaps at every convention there is some one who would like to consume long hours in useless argument over some perfectly necessary or reasonable rule of the company.

9. Try to arrange your program so that the important topics will have a proper amount of time, with the minor discussions consuming a relatively small amount of time.

10. Have a well-arranged program and stick to it as closely as possible. For example, if there are to be certain speeches or reports, be sure that the official, branch-manager, or salesman who is to be responsible for these features understands the amount of time available and makes the best use of it.

11. A plan that has been found to work well is to alternate talks or addresses by individuals with round-table discussions. This is not only a pleasing variation, but keeps the minds of the men more active. If they have to listen to talks without any participation in discussion, their interest will not be as keen as it would be if they themselves were now and then called upon to take part.

12. A pleasing variety is desirable, also, in mixing topics as well as in the way in which they are presented. A long meeting can be made more enjoyable by introducing singing or instrumental music, moving-picture films, inspection tours, etc.

13. Talk *with* the men rather than *at* them.

14. Use experiences—figures and facts—rather than generalities. Tell of actual experiments that have proved the value of a new plan or idea.

15. Let the management admit where home office or factory has been lax and then explain the difficulties frankly and say what is being done in the way of correction.

16. Look out for encouraging good-natured rivalry between different units of sales organization. In trying to find solutions to the different problems, call on a man in Territory No. 9 to say what he would do with a vexatious problem outlined by a man in Territory No. 3. In so doing many a problem solves itself before the discussion gets very far.

17. Let the exhibits show the different kinds of good work done by the various men.

18. Give credit freely to men in the daily bulletin or report of the meeting. If the entire proceedings are bound, send each man a copy.

Signs and Texts around Convention Rooms.—Many different organizations have made good use of the plan of having brief but thought-compelling texts plainly lettered and well displayed around the convention room. Such texts as:

When we stop learning we stop growing.

Only fools and dead men never change their minds.

Experience is a great teacher, but use the other fellow's experience as well as your own.

Demonstration is the last and best rule of good selling.

Find a wise man and you will find one who has learned to listen well.

Value of Prompt Beginning.—No convention can impress the men as a businesslike meeting if most of the men come in late and the meeting is half an hour or an hour late in starting every morning. One sales manager suggests that the best way of getting an early start is to bring this subject up at the first day of the convention and have the men take a vote on whether every session will start on the minute. This has a good moral effect.

At one convention, where the tardy habit had become serious, a branch-office manager created somewhat of a sensation by standing up and making a profuse apology for his lateness, explaining that it was an insult and promising "to be good." He proposed that at subsequent meetings all tardy men be paddled as if they were tardy school boys. The suggestion created considerable amusement and was passed unanimously. The few men who were late at the next session were paddled gleefully by the others and that ended the tardiness.

Arrangements for Proper Seating.—No speaker feels at ease when addressing an audience scattered at the rear of a large convention hall, too far from him to hear what he has to say. There are various methods of breaking up the decided tendency to occupy rear seats first. Some organizations assign each salesman to a definite seat. Where separate chairs are used, the number can be limited to about the number of men attending the convention and these may be placed at the proper distance from the platform. This arrangement not only enables the speakers to do their best and the men to get the most out of the messages delivered, but gives the meeting a get-together atmosphere that is essential for the proper exchange of ideas.

Stenographic Reports of Conventions.—The labor of taking notes covering the entire proceedings of a convention is a task with which no salesman should be burdened, especially at a time when it is essential that he should give ideas as well as assimilate them. Most men like to jot down brief thoughts that may have some particular application to their individual experience, but no man should be expected to go beyond that.

In many organizations it is deemed important to have a report covering the entire convention. However, when the proceedings of several days are reduced to typewritten or printed form, the material is likely to be so bulky as to lose much of its original value. Salesmen will go over a convention report with greater interest if the verbatim discussions are summarized at the end of the document, emphasis being laid on the really worth while points.

Breaking Up the Independent Conversations.—There are usually certain salesmen that are inclined to form small groups and carry on separate discussions during convention sessions while speakers are on the platform. This rude practice is one that cannot be tolerated without lowering the tone of the entire meeting. It diverts the attention of the men seated nearby, disturbs the speaker, and makes it impossible for the men taking part in these independent discussions to get any benefit from the topics under discussion. One sales manager meets this situation by courteously requesting the opinion of one of the participants in one of the separate conversations on a point just made by the speaker. He is careful not to offend, but this method is always effective.

Special Session for the Knockers.—In one sales convention, where it was known that there was considerable criticism by the men of the policy and practice of the firm, the manager of the convention decided that he would adopt a dramatic way of bringing out the various complaints.

Each man, as he entered the room, was handed a neat little wooden mallet. On the arm of each chair was a stout board.

The knockers' session was arranged at the beginning of the meeting and the speaker good-naturedly explained that it was deemed advisable to have each man knock freely, get all of

the complaints out of his system, and be able to start the constructive work of the convention the next day.

He had a large blackboard brought to the platform, on which he wrote down the knocks one by one as they were announced and discussed.

The man who wished to express a criticism was required to rap vigorously for a while to draw attention.

The chairman of this session had shrewdly arranged with some of the men to speak up at the outset with minor criticisms that could be handled easily. These served to break the ice and also impressed the men with the fact that many of the criticisms were non-essential matters.

The men entered into the affair with a spirit of humor that broadened the discussions and enabled the chairman to clear the atmosphere in a half-day session.

Getting Everybody to Talk and to Talk Convincingly.—No problem is greater in the sales convention than that of getting general discussion, which means encouraging the views from the man who is reluctant to talk as well as curtailing the tendency of some to talk too often and too much at length. To put too much emphasis on the value of brevity may discourage some of the men from talking at all. On the other hand, the chairman who is too lenient may permit a few men who are fond of hearing their own voices to weary the entire group. A good chairman can often get around this difficulty by explaining at the outset that every man who has a view to express should get up and express it without any apology or useless introduction. Sometimes the problem is solved by having a series of 1-minute, 2-minute or 5-minute talks. Again it may be solved by having the chairman ask one salesman and then another a question. Many men hesitate to get up and talk, but they can give an interesting answer to a direct question.

When a man wanders from the topic under discussion to another topic that is to be discussed later, it is better to ask him to hold back his views on that topic for the subsequent discussion.

Outline of a Sales-convention Program.—The following are suggestions from the *System* magazine as to an appropriate

program for a sales convention. Such a program can, of course, be only suggestive.

I. THE BUSINESS—ITS OUTLOOK

- (a) Talk by the general manager or president about the firm, its history and present prospects.
- (b) Talk by presiding officer, as already outlined, on the purpose, program and value of the convention.

II. TRIP THROUGH THE PLANT

- (a) Seeing how the product is made and handled. Expert guides to explain processes for the new men.
- (b) Meeting the department heads. Have questions and answers all prepared.

III. ANALYSIS OF THE PRODUCT

- (a) Analyzing the product and bringing out its superior qualities.
- (b) Answering kicks from salesmen.

IV. HOW THE PRODUCT IS SOLD AND TO WHOM

- (a) Showing its applications, value, selling qualities, and so on.
- (b) The old fields and opportunities. Have star salesmen talk on these topics.
- (c) Experience meeting; questions to be answered by company experts, with discussion by members.

V. HANDLING THE CUSTOMER—THE APPROACH

- (a) Getting to the man with the power to sign the order.
- (b) What is necessary to know about a possible customer before introducing yourself.

- (c) How to size up the possible customer's wants.

- (d) Experiences in making approaches. Sales manager, officers and field men who are old in the business. Answers to questions.

VI. DEMONSTRATION OR SHOWING OF GOODS OR SAMPLES

- (a) How to prepare a demonstration.
- (b) Arranging room and seating possible customer, or, if in his store, how best to show the goods.
- (c) Demonstrations and sales talks by field men; criticisms by members and leaders of the convention.

VII. HANDLING PROSPECT'S OBJECTIONS AND QUESTIONS

- (a) List of typical objections to the product. Give about ten seconds to the securing of each objection.
- (b) How to answer them. (Limit time for each man's talk.)
- (c) How to analyze objections and use sales manual, if you have one.
- (d) Answering objections and questions that members find difficult.

VIII. WHAT COMPETING LINES OFFER

- (a) What you will have to meet.
- (b) Competitive advertising and selling claims. Have some of these brought forward by salesmen.
- (c) How to meet them.

- (d) Showing competitive products and making comparisons.
- (e) Questions about competition.

IX. NEW PRODUCTS

- (a) Their value and market.
- (b) When they will be ready.

X. HOW DEPARTMENTS COOPERATE TO PRODUCE SALES

- (a) Explanation of the company's methods of doing business.
- (b) Its rules and customs as they relate to customers, the selling force and all employees.

Some Things That Should Not Be Done at Sales Conventions.—1. Discussion of subjects or controversies between men that are sure to lead to disagreement and time-wasting wrangling. Such happenings throw a chill over the entire meeting.

2. Having too much formality or too much in the way of formal addresses, thus discouraging rather than encouraging thoroughly free discussion. In some organizations a certain amount of scientific discussion is well worth while, but it is easy to have the convention dry because of too many such features.

3. Over-jollification. Not much is to be accomplished if the men get the idea that the meeting is primarily foreentertainment or amusement, although these are valuable enough when properly sandwiched between the serious parts of the meeting.

4. Allowing the program to be completely upset, so that the men who have prepared to discuss certain topics are hurried or have their parts in the program entirely eliminated. This is unfair, as well as unbusinesslike.

EXPERIENCES OF WELL KNOWN ORGANIZATIONS IN PREPARING FOR AND MANAGING CONVENTIONS

The following details are drawn, to a large extent, from the experiences of members of the Association of National Advertisers, an organization that includes such a variety of interests that many of the methods outlined are sure to be helpful to any manager planning a conference or convention of his salesmen.

Koken Barber Supply Company.—During the entire year preceding a sales convention, T. W. Van, general sales manager

of the Koken Barber Supply Company, sifts incidents and experiences of salesmen so that he may select "live" topics that will have a ready application to the average salesman's work. The factory and department heads are also taught to see their part in the sales work, and Mr. Van believes that his part in aiding these men to prepare for convention work has done more to make the various departments work in harmony than any other one activity. The salesmen receive a preliminary draft of the plans for the convention and it is carefully explained to them that the major portion of the final shaping of plans depends on the suggestions and comments sent in by them to the home office. It is made clear that the entire enterprise is planned for their benefit and that the responsibility rests with them to introduce features that will build up the selling work.

Every salesman is schooled to realize that the company is expending a large sum to bring its salesmen from all over the territory and that the only possible chance it has to get a return on its investment is that each man will get ideas and inspiration that will really increase sales. The policy of the company is such that it cannot profit unless its men profit also, so it is obviously to the self-interest of the salesmen to make the convention period a time of study and strict adherence to the schedule laid out. The convention day includes three business sessions—from 8:30 to 12:30, from 2:00 to 5:30 and from 8 to 9:30. Every man understands that it is desired that he retire at 10:30. Some relaxation is essentially a part of such a rigid program and this is not neglected, but the company does not consider itself obligated to furnish entertainment. This relaxation is used only in sufficient amount to be consistent with the principles of good pedagogy.

The sales manager of the Koken Barber Supply Company believes so strongly in the policy of permitting the salesmen to conduct the meeting themselves that he never occupies a place on the platform with the chairman. He takes an inconspicuous place on the floor among the men, from which position he feels better able to determine to what degree the program is actually meeting the needs of the men. There is a different

chairman, always a salesman, for each day during the convention. If the sales manager sees that the program is beginning to tire the men and that attention is lagging, a recess is called. A medicine ball is kept handy and the men are urged to exercise in the open air.

James Manufacturing Company.—The James Manufacturing Company confers with its inside departments to determine the details in which salesmen are failing to cooperate. These points are made the basis for part of the sales convention program. Care is taken to make this an opportunity to clear up lack of understanding and not merely for inside men to find fault with the men on the road. The preliminary plans are modified according to suggestions received from salesmen. A trip through the offices is provided in order to clarify the understanding of the salesmen about many of the inside workings of the organization.

Shaw-Walker Company.—L. C. Walker, president of the Shaw-Walker Company, believes that the greatest benefit of the sales convention is the contact with other men. He believes that most salesmen attend conventions in a holiday spirit and that the occasion is not primarily one for gaining new sales ideas. This company believes in very short sessions covering only three days. In common with the opinion expressed by many companies, this company has found it an advantage to have a short noon recess during which a light luncheon is served in the company dining-room. Entertainment is planned to follow every business session.

This is an interesting contrast to the practice followed by the Koken Company.

Addressograph Company.—The Addressograph Company has successfully followed the plan of leaving the conducting of sales conventions to a large degree in the hands of the salesmen having the highest standing. Certain members of the selling organization are previously asked to prepare papers, reports or addresses on pertinent subjects, and these are discussed. Home-office executives introduce certain topics and lead some discussions, but their standing is not put above that of the men. The major purpose of the convention is the solving of the salesmen's problems. Home-office executives

are urged to aid in this, but to keep away from any appearance of preaching to the road men.

Gerhard Mennen Chemical Company.—The Gerhard Mennen Chemical Company assigns advance topics to certain salesmen. The subjects are selected during the year, outlined in advance to the men and supplemented by them. Furthermore, each man is required to prepare a paper dealing with one of the broad topics selected for convention work. Following the formal delivery of these different papers, the meeting is thrown open for general discussion, but the previous preparation confines this discussion to points of the various subjects that have not been taken up. This holds the men to narrowed topics and prevents inconclusive argument. The Gerhard Mennen Company keeps a stenographic report and copies of it are sent to all salesmen. The comment is made that the benefit of this feature depends on the promptness with which the report is distributed.

National Cash Register Company.—The National Cash Register Company distributes suggestion blanks at the opening of its conventions calling for constructive criticism and ideas. The management attempts to pass on these before the convention closes, so that decisions can be announced during the sessions. Some of these ideas were found to be worth thousands of dollars. The National Cash Register Company features in its conferences sales demonstrations that illustrate the various talking points of its products. John H. Patterson, the famous president of this concern, now dead, took part in many of these features.

The National Cash Register Company knows that merchants have a better knowledge of their business affairs since the government made it necessary for them to keep such exact records. Hence it is advisable for salesmen to be just as well informed on business methods and to be able to meet merchants on their own ground, especially so on the best method of the care of daily cash receipts. The selling idea of the National Cash Register Company for some years is expressed by the slogan "Get a Receipt." It is planned to show every household in the land the necessity for requesting a receipt with every purchase; it is useful in recording expendi-

tures and figuring the budget. This plan is further intended to *make* the owners of cash registers with printing devices use those printing devices for their benefit and that of the public. This idea was impressed on the National Cash Register salesmen in attendance at a recent convention by means of a playlet performed for them.

This playlet on the half-hearted efforts of some of the N. C. R. salesmen depicted them coming into the sales office for cheap cash registers to take in their cars to customers and prospective customers. The local sales manager chides the men without offering any useful suggestions on how to interest possible purchasers in better machines. Nor do the salesmen offer the merchants any constructive reason for a wiser purchase. The sales manager doesn't have a very happy day. Next he is called upon by a retailer to whom he demonstrates in a disinterested sort of way a \$200 machine. The retailer is about to depart when his eye alights upon a bigger machine. He fusses with it, but finds he does not know how to use it. The questions he asks prove that he needs this larger machine and he buys it. This sales manager calls the men together and learns that they really do not know how to demonstrate this larger machine properly.

The playlet having proved its point, the men are then thoroughly instructed on how a merchant should be approached, educated and sold. The salesmen are to show users of old cash registers how merchants may avoid, in their business, leaks, weakness, and losses by installing modern machines. Since National Cash Registers are so thoroughly established and entrenched there is not much new territory to be captured, hence salesmen must be shown how to be alive to and make the merchants alive to their needs.

The idea upon which the method of instruction at the convention centers is the dramatic method in teaching. Two thousand N. C. R. men witness this graphic mode of teaching and participate in it by enacting actual scenes taking place between salesman and customer. The stage shows sections of stores and the change-making and wrapping sections of large department stores. All the proceedings on the stage are carried on in a quiet, dignified manner.

Synopses are made of especially valuable points of speeches and these are set out in prominent lettering on large cards. They are placed upon the stage while the speaker is talking and then removed to frames at one side of the auditorium where the men can read them in their consecutive order.

Some years ago the National Cash Register Company held a convention for the wives of its salesmen, arranging for them about the same program as that laid down for the instruction of the men.

(*Sales Management*, February, 1922)

Visualizing a Hard Sale.—An interesting variation of the demonstration idea was worked out by a drug specialty firm in its convention. Two of the best salesmen were pitted against two of the home-office executives who represented hard-to-convince prospective purchasers. The lines had all been prepared in accordance with typical arguments and objections encountered in the field, but the salesmen on the floor added to the interest by suggesting to the "prospective purchasers" difficult questions. The little production was carefully staged and carried through in a thorough way. While received with considerable merriment, it retained its element of helpfulness because it was not permitted to develop into a farce.

The Ideal Stencil Machine Company.—The Ideal Stencil Machine Company opens the first business session of its sales convention with a talk by the sales manager, who reviews the past year's business and refers to men by name who have creditable showings. This last point is the subject for much interesting discussion. One of the big objects of a sales convention is to strengthen the men who cannot or do not make good showings. Some concerns feel that nothing is done toward accomplishing this end by emphasizing the work of the better men and there is always the danger that such expressions of credit will induce the "stars" to conduct themselves with an air of over-confidence that will stir up resentment in the other men, lessening their receptiveness to the educational program.

Chalmers Advertising Stunt.—In the fall of 1915 the Chalmers Motor Company held a convention of its dealers at Detroit. It was generally known that a new model was ready for the market, but all details about it were carefully concealed during the early part of the convention. During an inspection of the factory, the dealers were suddenly confronted with a line of 200 Chalmers cars of the new model, each tagged with a dealer's name. When the visitor located the car bearing his name he drove it in the procession of new models through the streets of Detroit.

The local evening newspapers carried a headline "I saw 600 men buy twenty-two millions dollars' worth of Chalmers cars in 40 minutes." Then followed the story, told by one of the dealers attending, of the purchases made by the dealers following the return to the factory after the parade. This rather dramatic method of announcement was put before the public in the form of a page newspaper advertisement and later appeared in many newspapers in other cities.

Another interesting feature of this convention was the publication of a 4-page daily paper, edited by a newspaper man who was assisted by a staff of sixteen men. This paper carried accounts of the daily happenings and addresses at the convention, and served the purpose of a printed report of the convention.

Cleveland Metal Products Company Dramatizes Idea.—The salesmen of the Cleveland Metal Products Company were listening to an account of a wonderful new oil-stove, "the dream of every oil-stove maker for many years," when their sales manager, F. A. Gabriel, announced in dramatic climax, "The inventor of the new stove, gentlemen, is now standing in the rear of this assembly room." And when they turned to gaze they looked upon L. S. Chadwick, president of the company, responsible for launching upon the market the oil-stove the flame power of which "Equals the Cooking Speed of Gas." As the salesmen turned their eyes back to the stage they beheld the stove itself.

To demonstrate effectively that this new stove could make good the claim for it, there were ranged alongside of it models of every kind of apparatus for cooking, each already lighted.

At a given signal a vessel holding a given amount of water was placed on each and the speed test began. Each vessel was equipped with a semi-circular dial with "start" indicated at one end and "finish" at the other and a little, red, tin race-horse ready for the dash from the "start." A thermostatic device in the water was the driving power for bringing the little red racers to the goal.

By this time the salesmen were ready to bet on the race. One announced odds greatly in favor of the gas-stove, because he didn't believe that water could be boiled more quickly on an oil-stove than on a gas-stove. The oil-stove furnished with a giant Superfex burner won out over its principal competitor, the giant size gas-burner, and the standard size gas-burner ran second to the standard size Superfex burner.

No doubt was left in the salesmen's minds as to the ability of the new stove to make good the claim for it, and when they came to back the merchandising plan for the new product they heartily endorsed it.

(Printers' Ink, July 20, 1922)

Convention of Jobbers' Salesmen.—The Scott Paper Company depends for its distribution on jobbers who make sales through their own salesmen. The company had found conventions for its own men decidedly profitable and so, in so far as it was possible, they decided to hold a convention of the jobbers' salesmen. As a result, sales increased satisfactorily wherever a jobber's representative had been present at the convention.

Speakers who were good authorities on the subjects interesting the business men of the country were given a place on the program of these conventions, the selling work of the company being only part of the work.

Alexander Hamilton Institute.—At one of the Alexander Hamilton Institute sales conventions the men were assigned a topic in advance and given two minutes in which to cover it. Practically every man accepted the job and the limited time meant that each speaker gave the real meat of his views and experiences.

The subjects covered were pertinent to the meeting and the topics were of this class: "Working Scattered Territory", "Planning the Day's Work", "Intensive Work in One Company", and so on. The nature of the man and his experience governed the nature of the assignment. It is significant that when the convention was adjourned, everything that was planned had been accomplished. By adhering strictly to schedule, nothing was left undone.

Conklin Pen Manufacturing Company.—The Conklin Pen Manufacturing Company held one of its annual sales conventions outdoors at Devil's Lake, Michigan, fifty miles from Toledo, the company's headquarters. Here, under pleasant and auspicious conditions, the sessions were held in a covered pavilion over the water, beginning at 8:30 A. M. sharp and ending at 5 P. M. Between 12 and 2 the men had luncheon and recreation. Around campfires in the evening, the men sang and told stories and not infrequently entered into active discussions of business problems. The plan was so well liked that the men voted in favor of having all future gatherings of this nature.

Revue at Beaver Board Convention.—The Beaver Board Companies held a sales convention at which a sort of Pilgrim's Progress was styled the "Beaver Quality Revue." Curiosity, a young traveler, meeting the old man Experience on the mountain top of Ambition, asks him to show him a real success. Experience summons the Spirit of Beaver Board, a young girl clothed in white who reveals to Curiosity the history of the Beaver Board companies.

Various characters, Loyalty, Intelligence, Thoroughness, etc., enter one by one and explain their part as fundamental elements in the Beaver creed. Tableaux show the growth of Beaver Board from 1906 to 1918, and here Ambition enters and points out the opportunity to render even greater service. The Spirit summons Publicity, attired in a scheme of magazine covers, and enjoins her to carry the Beaver Quality message to the ends of the earth. Here Experience interrupts with "Beaver Quality" as the slogan for success.

(*Printers' Ink Monthly*, vol. 2, no. 5)

Visualizing Factory to Jobbers.—The Armstrong Cork Company was hard pressed for a novel idea to spring at a convention of jobbers. Finally it was decided to impress on these men the size of the company's plant. This was done effectively at the banquet held on the second evening of the convention by disclosing an airplane view of the factory 8 feet high, 10 feet wide, a panoramic view enlarged, made in sections, colored and mounted upon a wall partition at the end of the room. The top was in outline and the sky was 6 inches away from the picture and was lighted from above and below by urban blue. This natural effect was heightened by the brightly lighted windows in the picture, and by the handsome windows which flanked both sides of the partition. The effect was of a factory in operation at night.

(Summarized from *Printers' Ink*)

Branch Office Sales Conventions of Belting Company.—The following brief outline indicates how a large and well known manufacturer of belting planned sales office conventions with a view to having a measure of definite facts and figures rather than a meeting of mere general discussion.

A well qualified man made a special visit to the home office and through information drawn from the various home-office departments built up an impressive array of facts covering a five-year period. Then, large charts were made up showing the following facts:

1. The possible market for belting, based on the amount of power used in the preceding year in more than fifty of the largest belt-using industries. The total horse-power of each of these industries in each of the territories was plotted on bar-charts.

2. A comparison of the total horse-power figures with the total sales in each territory produced a chart on "sales intensity." In other words, the sales in each territory were shown for each 10,000 horsepower.

3. One sales territory, representing the normal average, was taken as a basis and on this basis were figured the normal sales for this particular belting company's territories throughout the United States.

Other exhibits were made up, showing the following:

(a) Comparison of percentage of sales by product for the two years preceding.

(b) A comparison of the rate of sales increase in each territory as compared with the increase for the total United States.

(c) These charts showed a comparison of present-day prices, also a comparison of the prices of various grades of belting in the low-priced period of 1914, so as to afford intelligent discussion of price differences in two periods.

(d) Each salesman's record was plotted separately.

All of these charts were produced on lantern slides and, shown in this way, were well adapted to explanation and discussion at the branch-office conferences.

Morris & Company's Experience with Territorial Conferences.—Morris & Company, packers, of Chicago, tried to simplify the sales convention by holding territorial meetings with a district manager in charge. Experience showed that the ability of all of these managers to conduct such meetings successfully could not be relied on. The friction and poor results were such that the practice of holding meetings in this way was abandoned. The tendency of the managers seemed to be not to instruct and inspire but to "show up" men with poor records and to eulogize those with good records.

The size of the conventions was increased and a system of supervision by the home office introduced. The later conventions were held in large centers, the local representatives making hotel reservations, planning menus and sending out the formal notices.

The salesmen for this organization receive several letters in advance of the conference, telling them of the plans and urging them to make note of all subjects that they wish to have discussed.

When a salesman arrives in the city, he finds a letter at his hotel giving the final plans for the convention. He is also provided with a list of the names of all salesmen attending and the names of the home-office representatives.

This concern believes in the interchange of selling ideas at a general meeting and urges the men to openly describe their

difficulties, to make criticisms and to give ideas, but they also believe strongly in individual teaching. The first day of the convention is given over to personal conferences with the men, in which a sincere effort is made to get the individual's viewpoint and to build up from that basis.

The home-office officials deliver the messages from the company, but they make it clear that the best instruction comes from men actually in the selling field and the men are guided and encouraged to teach one another from their own experiences.

No plans for entertainment are made. Such a practice was followed formerly, but it was found that the men generally preferred to have their evenings free to visit friends in the city. In case, however, they do not care to do this, the company assumes the expense of any dinner parties, automobile trips, and the like, that the men make up among themselves.

The president of the company sends his message to the men by letter. He also provides a luncheon known as the "president's luncheon", at which the men are entertained as his guests.

A salesman is never openly applauded for a good record and nothing is done to humiliate the man who does not measure up to the average. A man's shortcomings are not just smoothed over or ignored, but an earnest effort is made to try to help him discover and correct his weak point. The mere fact that he is retained by the organization is sufficient evidence that he merits treatment worthy of an honest, intelligent representative of the company.

(Summarized from *Printers' Ink*)

Separate Conventions for Dealer Salespeople.—Some manufacturers have decided, as the Eastman Kodak Company has, that it is not easy to appeal to retail merchants and their helpers at the same time. There is too great a difference ordinarily in ages and interests.

One business organization that tried the plan of mixing dealers and retail salespeople, discovered that the younger men and women would not talk out as a rule in the presence of

their employers. Thereafter, separate conventions were held, with entirely different programs.

The result in the experience of the concerns here referred to indicated that there was a real gain in handling the two groups separately.

THE CREDIT MAN AND THE ADVERTISING MANAGER AT THE SALES CONVENTION

Both the credit man and the advertising manager usually have their sessions at the sales convention. In his inning with the sales force, the credit man, or the treasurer—speaking for the credit end of the business—may find it well to review many of the principles covered in Section XXIII of this volume. He may make good use of charts and comparative records.

Credit Information.—Grievances and misunderstandings about credit and collections are common among salesmen. They are prone to believe that the credit man—who in some cases may be the treasurer of the company or an auditor—is too strict and kills good-will unnecessarily. They are often inclined to think that “our company” is much slower in adjusting complaints, allowing credits, and so on, than “our enterprising competitor, the Blank Company.”

A fair, clear explanation by the credit man of the duties and the difficulties of his job will go far toward creating a spirit of cooperation.

Explanation about Advertising.—It is advisable for the main plans of future advertising to be settled before the advertising man goes before a sales convention, and the assumption is that in a well conducted organization due consideration will have been given the views of salesmen, dealers, jobbers and perhaps others before the plan was laid out.

In this way first-hand knowledge of the conditions is the basis for the advertising program work. Such a meeting is never a one-sided affair with the attitude of “I’ll tell ’em” on the part of the advertising department; it is a genuine and friendly meeting of sales and advertising departments, the members of the one group in attendance scattered about with those of the other.

The value of various forms of advertising cannot always be proved by exact calculations. Advertising plans afford room for a great deal of difference of opinion. Most men in selling work have only a limited knowledge of the functions of advertising or of the relative values of different methods and media used. A salesman, for example, often has the view that because some local medium out in his territory has an apparently low cost per page or inch, the medium is an inexpensive one. Its cost for reaching prospective customers may be several times as high per thousand readers as other publications that are being used by the firm.

Salesmen have friends in the publishing business or in the selling of novelties or other forms of advertising. They are alive to what competitors are doing. They, of necessity, have to give heed to suggestions from dealers, or other customers, that certain publications or methods which the adviser happens to read or to be particularly interested in ought to be used.

Then, too, salesmen are ordinarily partial to the kind of advertising that they hand out themselves, such as pencils, match-safes, etc.—something that they can see the effect of at once, or which cultivates personal relationships.

As a further factor, there are men who have a keen appreciation of the value and cost of advertising but who will put up a strong argument for more special work in their own territories.

If the advertising manager permits a general debate to get under way on fundamental questions, the result may be a confusion of ideas and no spirit of cooperation about following the plan that the advertising manager, representing the firm, has already laid down.

Getting at Weak Spots in Advertising Plan Beforehand.—Max Kemper, writing in *Printers' Ink* (Nov. 3, 1921), makes these helpful observations:

In order to show how completely and yet in what elementary manner information must be presented at a dealers' convention, a Detroit automobile manufacturing concern has its department heads meet long before convention time and judge each other's talks as drafted. These heads of departments are in such close daily con-

tact as to know each other's work very well. At such preliminary meetings one might be likely to hear comments somewhat like the following on the advertising manager's talk:

"Tell them a little more about how the copy policy was formulated to meet this year's conditions."

"Tell them about that Los Angeles dealer's special plan of circularizing."

"I think that part of your talk needs to get a little closer to earth."

"Develop that idea a little more—it's too good to risk losing."

"Go more into details in discussing the way to begin advertising in the local newspapers. There will be at least 100 dealers present who are handling our car for the first time, and several of the older ones haven't yet been completely sold on the local advertising."

"Tell them about the Binghamton dealer's method of follow-up."

"Cut out the word 'ubiquitous.' Half the gang won't get it."

Give Consideration to Men's Views.—In order that the salesmen may be reminded that their ideas have been reviewed, the advertising manager ought to take his audience behind the scenes, as it were; tell about everything important that has been taken into consideration, the work he has done and the work done by the company's advertising agent. It may be desirable also to have a representative of the advertising agency on hand. Perhaps some one or two matters can be left open in the plan, so as to give the salesmen a chance to express themselves further and perhaps to take a vote on what should be adopted. These, however, can hardly be the fundamental things. It would be too risky to take snap judgment on the plan as a whole or on one of its most important details. There is sometimes too much "political element" in a large sales organization, and a district manager of strong leadership qualities may be able to prevail on a large number of the men attending to come over to his views and seriously embarrass an advertising department.

One advertising agency man, speaking before a convention of district sales managers and "star" salesmen, told the men very frankly why it was not possible to carry out all their ideas on advertising. He said suggestions were welcomed and at the end of his talk held up a finished drawing embodying, in revised and amplified form, a very good suggestion that had come in from the field.

Often the best answer, when more advertising methods are argued for by the men, or a greater concentration of the advertising in certain territories, is to fall back on the budget as a defense and show that such increases are not possible.

A salesman for a large manufacturer of cameras and photographic supplies, in arguing for the use of a local advertising medium in his territory, was astonished to get the explanation in a convention that the circulation of the company's magazine advertising in the territory in question—counting the subscribers of all the magazines used—was more than twice the circulation of the best local medium. The men of the sales force have not ordinarily gone into matters of this kind in detail and unless the facts are made clear will not grasp the situation.

"Why don't we advertise in a way to get more inquiries for our technical products?" argued another salesman in an annual convention. He was astonished to learn from the advertising manager that nearly 55 per cent of all inquiries were for the technical products rather than the staples. The secret of the company's poor showing on the sales of technical products lay in the fact that the salesmen did not understand these so well and unconsciously gave better attention to sales of staples. When the facts were put before them fairly they frankly admitted that the fault lay with them and not with the attention their advertising department had given the technical list.

The mail sales correspondent usually welcomes an opportunity to talk about his work and to get the viewpoint of the fieldmen. Likewise, the house organ editor has an opportunity to get expressions regarding certain features and to impress on the men the need for their cooperation in getting items from the field.

Many matters difficult to grasp clearly through correspondence are clarified through a little broad and earnest discussion.

OTHER CONVENTION IDEAS AND METHODS

Getting the salesman to go home in a happy frame of mind after a convention—making him feel the glow of all the friendliness, good times and the bracing—pays in dollar returns.

Live Convention Printed Matter.—A means of livening up a convention is the house organ with its take-offs on those in attendance. A very crude paper may serve the purpose. The news items can be multigraphed on foolscap size sheets and arranged in columns, as in newspapers; and to complete the effect, type-founders' type may be used for the headings.

Humorous bits of verse about the participants in the convention are always apropos—for instance, one of the treasurer O. King, without even looking at it, the expense account of a salesman who is habitually extravagant.

A most amusing section in the house organ may be the advertising section. One effective advertisement in a convention paper was that about a salesman who had a fad for collecting every conceivable kind of accessory for his Ford. If he didn't have it, it was because it was not advertised. So the car was pictured with all its marvelous accessories—a patent "hootch" detector, sun dial, report-writer, order-locator and what not!

At a United States Tire Convention the advertisements in the daily paper were take-offs on familiar advertisements in the magazines.

Report of Convention That Was Not Held.—For real novelty there is the "conventionless convention," of which the *Todd Weekly Bulletin* souvenir issue is an excellent example. Even the menu of the imaginary banquet was described, and the picture-maker showed the convention in session with portraits arranged by pasting cut-out heads on a photograph of a previous banquet. The speeches that were not given appeared, too. This was put out in a year when, for a good reason, the company did not hold its regular convention.

The Printed Program.—Most firms emphasize the importance of the printed program. Mr. Van, of the Koken Company, says, "If you do not think enough of the convention idea to have a printed program, don't have a convention."

The Showing of Pictures.—Motion pictures and stereopticon machines have a large use at convention meetings. These are impressive methods of presenting certain information, topics of general instruction, and the like, and this variation in presentation aids in retaining the interest of the

men. A paint-and-varnish firm, which did not find it possible to take its men to the actual source of supply, illustrated the processes of manufacture by showing sample of flaxseed, the process of crushing linseed oil, white lead "buckles" in metallic and corroded form, and so on.

Facilitating the Transportation of the Men.—There are many details to arrange in bringing a large number of men, possibly from all sections of the country, to a sales convention. Careful planning well in advance and the efficient handling of these details make an impression well worth while. For example, John H. Patterson, in the National Cash Register work, despite the big expense involved, chartered a special car in which to transport the men who were members of the Hundred-Point Club. The Alexander Hamilton Institute makes arrangements so that all salesmen in territory west of Chicago will reach that city about the same time. A representative of the home office in New York meets the men at Chicago and they make the rest of their journey together in a special train.

While still on the train, each member of the Alexander Hamilton Institute force receives a baggage tag, which he fills out and attaches to his bag. At the gates of the Pennsylvania Station, he hands his bag over to hotel porters especially assigned for the purpose, and the next time he sees his bag it is in his hotel room. This detail, well carried out, makes the right kind of impression on the men and helps to prevent confusion in handling a large number of guests.

Accommodations.—The need for a comfortable, well ventilated, properly heated meeting-place is regarded as being decidedly essential. Some sales managers carry this question to the point of seeing that the room is properly decorated; that the surroundings in every way encourage the salesmen to give the conference their most conscientious attention. Many firms include in their preliminary preparations hotel reservations, arrangements for meals, return Pullman accommodations, and so on.

Length of Conventions.—Some sales managers believe that no convention can continue successfully after the second day; some have three- or four-day sessions, while the Koken Com-

pany has successfully held five-day conventions for a number of years. This question is one that must be decided by the individual concern. Closely related is the question of the frequency with which conventions should be held. Expense is such a large factor that it helps to decide both questions. If results show that the meetings pay, then expense is not an obstacle.

Varying Factory Meeting with Others.—Factory headquarters, while not always the best place for a convention, offers the advantage that it is a good point from which to study and discuss all branches of the business. For the sake of variety, occasional meetings may be held at other points.

Special Meetings of Men Who have Attained Certain Standards.—A number of organizations have made a feature of special conventions entirely apart from the regular annual meetings. These special meetings are attended only by salesmen who have attained certain standards. While this plan may deprive the other men of some benefit gained by attendance, on the other hand, the stimulus afforded the organization by a pleasurable meeting of the Honor Roll or the "100 Per Cent Club" may warrant all the expense and trouble.

Simultaneous Territorial Conventions.—Where an organization is so large that the expense of bringing all the salesmen together at one point renders this impracticable, various conventions may be held at the same time in different parts of the country, with speakers representing the home office at each of them. In fact, through the use of the long-distance telephone, radio and other means, a number of features may be arranged for at each convention at the same time. For example, the president's or general manager's address might be given simultaneously at every one of the meetings by means of special telephone or radio connections.

Value of the Outside Speaker.—A review of the practice of bringing in an outside speaker to talk to salesmen shows widely varying results. Some firms report good results. Others say they were disappointed and would not try the plan again. One well known firm says that an outside speaker employed one year was apparently well received and his talk

often referred to by the salesmen. When, however, that speaker filled a return engagement his talk fell flat.

It seems obvious that something depends on the outside speaker and his topic. If he is an egotist who comes in, without much knowledge of a business, to tell the salesmen how to do their work "scientifically," it is not to be expected that he will be well received. If, on the other hand, he is a real authority, or an earnest, helpful speaker on some topic that he knows thoroughly, his fee may be well earned.

Sometimes the outside speaker is engaged not with the idea of giving a talk closely related to the particular business of the firm holding the convention but to bring a message of inspirational value.

Carrying out the Show or Circus Idea.—The older salesmen are so accustomed, when attending conventions, to the usual introductions by company officials and the formal addresses or reports by heads of departments that there is real need for "dressing up" convention plans in a new way. Unless the home office can show its own resourcefulness by bringing out old ideas in new dress, it is hardly in a position to preach to salesmen about the value of resourcefulness and versatility.

Recognizing this principle, a number of organizations have successfully staged their conventions in the form of a show or an entertainment. In some cases playlets have been used, illustrating the right way and the wrong way of doing things. If the concern is one that sells regularly to dealers and a large part of the salesman's mission is to coach the dealer on the better ways of doing business, an effective show might be staged in two parts, part one illustrating the unprogressive kind of selling and part two the better kind.

Electrical Products Manufacturer's Adaptation of the "Show Idea."—A large electrical products concern, selling a great variety of electrical material, arranged one of its conventions after the style of a carnival, with a great many booths, various "barkers" to draw the attention of the crowd, and so on. One feature of this carnival was a paddle-wheel affair that made a real racket as it was revolved. Salesmen were supplied with numbered tickets and as they approached this wheel of fortune were induced to give the wheel a turn.

The "barker" at this attraction had talent as a comedian and created considerable merriment. When the wheel stopped, the salesman holding the ticket corresponding to the point at which the wheel stopped drew a prize. Some of these prizes were very valuable. Others were simply humorous and were put in the list for the purpose of fun-making.

Each of the numbered tickets was a key to some electrical product, and a lecturer was on hand to give a concise account of the selling points of the product corresponding to the prize number. Thus, every time the wheel stopped, a short educational talk was in order. The uncertainty as to just what product would be brought up for explanation, what the prize would be and who the winner would be, made a very entertaining feature.

The foregoing plan may be worked out in various ways. A large business convention was held some years ago under a big tent in the form of a circus, with various smaller tents holding side-shows. These side-shows were advertised by means of posters much like the sensational posters of a real circus.

Opportunities at Luncheons and Dinners.—Whether or not a sales convention should have very lively luncheons or banquets depends in some measure on the product itself. But as most of the business sessions are to a considerable extent serious affairs, it is generally regarded a good plan to give the men an opportunity at the luncheon, dinner or banquet to relax and to receive some entertainment. There is great opportunity for this:

Appropriate Menus.—A feature that is always interesting is that of giving special names to the items on the menu, having these special names identified with the business. For example, the soup might bear a descriptive name that corresponded with some product of the company; the salad might carry the name of some company official, and the dressing be described by the surname of some one in the organization who always added a peppery touch to new plans. Jokes and humorous references to individual salesmen may be interspersed between the food items on the menu.

Illustrating the Product.—It is often possible to illustrate the product through the tableware, the decorations, or some articles of the food. Ice cream, for example, can be pressed into various shapes. Sometimes animal shapes make considerable fun at the table if they are distributed with a little thought. Procter & Gamble, Ivory Soap manufacturers, at one of their convention affairs, distributed ice cream molded in the shape of cakes of Ivory Soap. A concern making shoe-paste served cheese of the exact color of a tan paste, pressed into the form of a miniature paste-container.

A manufacturer of a product such as aluminum ware could make a hit by serving an entire meal in aluminum dishes, with perhaps some new designs exploited.

The centerpiece at the luncheon or dinner might easily be made to represent the trade-mark, a new package design or a miniature new model. At one convention where a new container had been recently adopted for the product, the ice cream was served in forms that were appropriate reproductions of the shape and color of the new container.

Special Costumes.—Special costumes for either the visitors or the waiters have proved a fun-making and pleasing feature of conventions. For example, a convention of men having to do with Old Dutch Cleanser could very appropriately introduce neat waitresses dressed in the familiar costume of the Dutch Cleanser girl. If the salesmen themselves are to wear special hats, a little fun can be had by giving each man a ticket when he arrives in the dining-room and letting him receive the headdress that corresponds to the ticket.

The salesmen themselves, if coached in advance, can lend a good deal of assistance to the costuming plan. The men from Mexico, for example, if there are men visiting from that region, could bring typical Mexican costumes; the men from the prairie sections of the West could come prepared to dress in cowboy style, and so on.

Souvenirs and Prizes.—Real prizes and interesting souvenirs often form a pleasing feature of convention affairs. Again, interest may be stimulated by having these delivered wrapped up and requiring the salesmen to open their prizes at the table. Sometimes it is possible to make the prizes link up in some way

with the record of the salesman or his characteristics. Often the prizes or souvenirs are articles that the salesmen are glad to take home. At one of the conventions of a large correspondence school, the souvenirs of the occasion were miniature volumes, prepared in the well known style of the correspondence school's textbooks but bound expensively in half-leather and containing a well written history of the institution. These little volumes also contained the entire program of the convention, as well as the menu of the banquet. A number of pages were left for autographs. These souvenirs were in such demand by the visitors that the supply quickly ran out.

Special Music.—In any large gathering there are nearly always men who play or sing and who can be depended on to contribute to the musical program. In fairness to them, they should, of course, be told in advance and given some opportunity to prepare to perform properly before their fellows.

An inexpensive special music booklet is often very useful. In this may be verses or popular songs that bring in appropriate references to the work of the sales organization.

Sometimes outside entertainers can be brought in to advantage, especially when they are able to adapt themselves to the particular occasion. For example, a humorist might be engaged to tell about his unfortunate experiences as a salesman.

An advertising manager once got a sales convention started right by composing a special song, adapted to a popular tune—one of Fritzi Scheff's specialties—the verses being a real reflection of the spirit and achievements of the organization.

Interesting Messages.—Another sales convention feature that has proved successful is that of reading interesting messages from men who could not attend or who perhaps could not be expected to attend. For instance, in a United States convention of a sales organization having branch offices in foreign countries, a series of cable messages about the product and conditions in other countries would be very interesting. It may be a good plan to mix with the business messages some of a humorous character. There are nearly always some men who are delayed in arriving. If these cannot be

induced to send real telegrams, appropriately worded messages might be faked. As an illustration, a Western salesman of good record who was never known to be bashful about giving his record publicity might be quoted in a message something like the following:

Expect to arrive tomorrow morning. Tell the Eastern fellows not to hurrah too much over their December records. The Los Angeles office has something to announce that will make them all sit on the edges of their chairs.

These humorous messages are sometimes read as coming from well known public men such as Henry Ford, Thomas Edison, and so forth, the message tying up with some subject of public interest, such as the Ford acquisition of various properties, Mr. Edison's plan of asking new employes thirty hard questions, and so on.

General Fun-Making.—If the business for which the convention is held is one that calls for cooperative effort on the part of salesmen in attending to such things as demonstrations, window-displays, and so forth, the salesmen are more than likely to appreciate real stunts. These stunts may be of great variety, ranging from the entrance of a policeman into the banquet hall to arrest a salesman for some fictitious offense to such a joke as that which was played on a sales manager at a Baltimore convention. In this case it was announced that a gift was to be presented to the sales manager for his long service with the company. After an elaborate speech, one of the largest salesmen entered, with pompous air, bearing proudly a huge punch-bowl, with thirty or forty glasses attached. Few men guessed that this was not the real present. The big salesman proceeded down the aisle and just as he reached the chairman's desk, he apparently stumbled, and the large punch-bowl, with its collection of glasses, crashed to the floor. After the uproar, the real present—a chest of silver—was brought out.

Some of the men known to be gifted in entertaining can often provide a pleasing feature in vaudeville style, consisting in part of singing, with some one of the troupe acting as interrupter or "end man."

The Unannounced Special Feature.—As set forth in foregoing pages of this Section, a number of conventions have been enlivened by some kind of surprise for the men—an announcement of a new method of marketing, a new model, a new package or something else just as interesting. Salesmen are alive to the dramatic, to the well staged announcement and will respond heartily.

Possibly the feature may be a new form of compensation which has been carefully worked out after long and thorough consideration of all the different conditions and the wishes of the men in the field.

Whatever the feature may be, the time and manner of its announcement ought to be carefully planned, so as to secure the largest amount of interest and enthusiasm.

SECTION XV

SALESMEN'S REPORTS AND LETTERS

The peculiar needs of a business will prompt the sales manager to devise a report form that will give the information that is really essential and at the same time will relieve the salesman of unnecessary clerical work.

The Salesman as an Accurate Reporter.—The salesman must bear in mind that, because of his place on the firing line, he can be a live index of conditions—that the making of full reports is not lessening his power or his hold on the customer but does enable the men at the home office to understand conditions as they exist and to give the proper support. Some of the things the salesman should be careful about, just because they are characteristics of sales organizations generally, are these:

1. Too much comment on weather conditions, state of the roads, and other hackneyed topics.
2. Habitual painting of poor business conditions.
3. Monotonous excuses about inability to make sales because "our prices are wrong," or because of the terrible tactics of competitors.
4. Neglect to furnish data that executives, wisely or unwisely, have asked for.
5. Guesses at conditions instead of information furnished from actual study and inquiry. When it comes to guessing, the home-office clerks are as apt as the men in actual contact with conditions.

What Sales Managers Want to Know.—Not all sales managers want exactly the same information from field men. Most enterprises have their own peculiar needs. The following are, however, some of the items most frequently required by sales managers from their field representatives:

1. Orders secured and amounts.
2. If order cannot be secured, as definite information as possible as to when an order is likely to come through from the customer, with the kind and amount of goods likely to be ordered.
3. Changes in firms, such as new men at the heads of the buying or other departments with which the sales organization has to deal.
4. Interesting details about unusual sales made.
5. Distinctive activities of the customer, whether he be a user of the product or a retailer.
6. Promotional plans used by the customer, if he is a jobber or retailer.
7. Eliminations from, or additions to, the company's mailing-list.
8. Displays, demonstrations, or other promotional features undertaken.
9. Local activities of competitors.
10. Local business conditions.
11. Views of customers on the company's policy or advertising.
12. Interesting testimonial letters.
13. Good photographs connected directly with the company's business.
14. New markets for the product.
15. Definite details as to any cases of dissatisfaction, objections or reasons for not buying.
16. Things that the home office might do to make more sales possible.

How Reporting by Salesmen Can Be Facilitated.—Sales departments should make the reporting and general clerical work of their outside men as easy as possible. Report forms can be used with many items of essential information appearing as printed lines, which the salesman can check or mark with a "Yes," "No," or give his answer with a few figures. For example: "Is our sign up and in good order?" "Has dealer had a window-display of our products within a month?" "What amount of newspaper advertising space does dealer use

weekly?" Concerns that follow such systems often use a letterhead that gives the salesman ample space alongside the queries in which to jot down brief pen-written answers, thus avoiding the delay and expense of stenographic service while the men are on the road.

Cases Where Salesmen Work under Branch Office.—Where salesmen work under branch offices or in districts under a superintendent, reports are usually made in triplicate—the original going to the home office and one of the other copies to the branch under which the salesman is employed.

It is the duty of the well managed branch office to develop the salesmen under its supervision and to follow up and develop leads within its territory. Therefore, it follows that reports of salesmen to the branch office are essential. It is not always the practice, but frequently conditions warrant the home office in exacting reports from salesmen of daily calls upon prospective customers. Some of the reasons are given by a review in *Printers' Ink*:

1. Lack of adequate provision for sales instruction at branch office.
2. Lack of adequate provision for mail follow-up of prospective customers from branch.
3. Peculiar ability of some home-office executive to utilize information of this type.
4. Nature of articles sold which makes immediate record at headquarters essential.
5. Unusual use by headquarters' staff of reports on calls made on prospective customers in branch territory.
6. Upbuilding of home-office mailing-lists, which are so frequently used that delay would be costly.

The first and third of the following schemes for reporting calls upon customers are the ones most frequently used.

1. Individual sheets or cards for each customer.
2. Daily sheets or cards.
3. Weekly reports.
4. Periodic reports.

The Full Report That Gives Real Marketing Data.—It is a common complaint of salesmen that they are required to make reports that contain too many details. It is undoubtedly true that salesmen are often required to give details that serve no good purpose. On the other hand, some salesmen do not want to depend on their memories and really prefer, for

their own interests as well as for the use of the general management, to make reports that show the exact situation with a customer.

The following is an example of a report made out by a salesman of the Tide Water Oil Company. Such a report, reviewed by the salesman on the eve of his next call, refreshes his mind as to just what turn to give his talk.

Hoffman Garage and Supply Co.—Jim Hoffman, proprietor. Out September 15—Has sufficient Medium for a couple of weeks—probably needs more Fordol—greases running low—supplying oil for two trucks, nearby construction work—five Willys-Knight cars in garage, but no Special Heavy on hand—make special drive for S. H.—mention recommendation and use, Willys-Knight factory.

A successful salesman of novelties, describing his methods, says:

On leaving a town, I make out for my private file a complete card of just what my prospective customer's needs and views are. If he has expressed even vaguely an interest in some new kind of novelty I try, before my next trip, to get something of that kind to show him. Then, I can get his interest right away by referring to his remarks on a previous visit. Otherwise, I am talking in hit-or-miss fashion and not likely to get anywhere.

Shawmut Company Shows Salesmen's Use of Daily Reports. The Shawmut Company, of Boston, requires concise daily reports from its salesmen. These regular reports contain real information on which future solicitations are planned. To merely say that Brown was out when the salesman called will not do. The salesman's report is expected to provide some information about Brown that will enable the home-office manager to follow up the call of the salesman.

To keep the salesman interested in the effectiveness of the system, the Shawmut sales manager, when writing to a salesman, takes up matters mentioned in the report of the previous day—never an older report. He also sends to the salesman copies of letters sent to customers about matters referred to in the daily reports. In the weekly sales letters, the sales manager lauds the men, mentions the reports and quotes from them.

The following is a practical illustration of the value of the system:

A salesman's daily report showed that Tooker & Son, of Hillsboro, Mass., gave a small order and that the "store felt sore about no cash discount being allowed on last check." Investigation showed that though the customers' check bore a date that seemingly entitled them to a discount on the bills covered, it had not actually reached the Shawmut Company until two weeks later. Tracing the transaction, the customers found they had been at fault through delay in signing the check. The matter was adjusted and their good-will was saved.

(Summarized from *Sales Management*)

Where a Monthly Report Fills the Need.—The Gibson Mandolin-Guitar Company requires its salesmen to fill out a monthly report, which is a sort of detailed letter of the month's activities. On this monthly report form the salesman makes an itemized list of sales. This serves not only to supply information for the company, but also gives the salesman credit for all business done, including that not yet recorded on the company's books. The salesman is expected to maintain a diary so as to have his monthly review a real "log of events." The monthly report is valuable in its relation to the mailing list of the firm, for it suggests names to be added as well as names to be removed from the company's index. It records business conditions in the sub-agency as well as general conditions in the salesman's territory. This monthly report is supplemented with information sent in on special blanks, when it is necessary to supply that information at particular times.

Reports from Representative Who Do Not Sell.—The direct representatives of the Victor Talking Machine Company do not make sales, for the company supplies its products to retail dealers through well known jobbers of musical goods. As is natural, however, such a powerful manufacturer has a keen interest in the list of retail stores that handle its products. The company not only takes the trouble to keep itself thoroughly informed as to the status of its present list of dealers but as

to desirable prospective dealers for the jobbers in fields regarded as not being well covered by existing Victor dealers. The Victor representatives are regarded as "Victor ambassadors" and, having no goods to sell, enjoy unusual opportunity to look into the dealer's methods and advise him as to ways and means by which better merchandising of Victor products is possible.

The reports of the Victor representatives are rather elaborate, covering such information as is indicated by the following questions:

- Is he on a main business street?
- What floor?
- Near department stores, Woolworth stores or United Cigar Company stores?
- In proper surroundings?
- Near street-car transfer points, cafes, etc.?
- How does the jobber regard his credit?
- Is he discounting his bills?
- Does volume of stocks indicate ample funds?
- Has he a capable manager?
- Able assistants?
- Producing salesmen?
- Good repairmen?
- What degree of concentration on Victor stocks?
- Sound accounting methods?
- Clerks eager for helpful suggestions?
- Does he use a mailing list?
- Is it up-to-date?
- Advertising productive and well planned?
- What sort of advertising?
- Is the store clean and cool?
- Is the atmosphere good?
- Are the arrangements and decoration pleasing?
- Is the organization well balanced and ready to do the best work?

EXHIBIT 144.—Report form that the Victor Talking Machine Co. requires its representatives to submit to headquarters.

Calendar Manufacturer's System.—A manufacturer of calendars for advertising use has hundreds of salesmen's reports coming in daily. A set of forms was devised to make the handling of these reports easier, as well as more productive of real results.

There is a weekly itinerary sheet of small size and another form of similar size for recording the salesman's commissions. The commission-sheet indicates places visited, names of customers giving orders, values of orders, and expenses. The sales department finds a particular use for this information in computing percentage of expenses to turnover. From the same data, the accounting department figures commission and expenses of the salesman (see Exhibit 145).

Because orders for this manufacturer's goods are often booked a year in advance, it is necessary to have a series of

ORDER MEMORANDUM			
Order Number _____ Name of Customer _____ Salesman _____			
<small>Use this form for any correspondence about orders, each form to contain remarks about one order only. Do not use a correspondence memorandum where this form will suffice</small>			
WEEKLY ITINERARY SHEET			
Week Ending _____			
Mr. _____		Address _____	
Day	Towns to be Visited	Address	
Monday			
Tuesday			
Wednesday			
Thursday			
Friday			
WEEKLY COMMISSION SHEET			
Week Ending _____			
Mr. _____		Address _____	
Day	Towns Visited	Expenses	Orders Taken and Value
Monday			
Tuesday			
Wednesday			
Thursday			
Friday			
	Total		

EXHIBIT 145.—Three of a series of report and analysis forms used by a manufacturer of calendars.

order forms which will eliminate the possibility of misunderstandings. These order forms must always be signed by the customer; also, they must be accompanied by an "order-instruction" form. On this is the complete information required for filling the order. A separate sheet is used for each "order-instruction" form.

Then, there are the individual report-forms on which are recorded full information about former sales, estimate of

future sales, date of next call, and so on. These forms are on pads of fifty sheets in duplicate and numbered. The salesman keeps the carbon.

Because of the volume of such reports, it is necessary to have a method of showing at the home office which should receive first attention. The salesman indicates these with a cross in a space in the lower left-hand corner.

There is a form providing for information about each town visited. The name of the town is given; the date; total value of orders taken; a cross reference, by number, to reports about firms in these towns; and special information about competition and prospects for business.

Sometimes a letter from the home office at the crucial moment is of the greatest value in getting a prospective customer to give his order. Such a letter may readily be written from the information at hand. When the salesman desires a letter sent from the home office a correspondence request form is used. It bears the name and address of the prospective customer, date of salesman's most recent call and when he next plans to call, what to discuss, signature of salesman, and so on.

Color Differentiation.—For any matters not covered by forms, the salesman uses a pad of writing paper with carbon sheets. These are in color, to differentiate new from old salesmen, and there is also color differentiation for districts. Difference in color of correspondence paper for salesmen is valuable to the home office for various purposes. For instance, as an indication that an error in routine was due not to lapse of attention on the part of an old salesman, but because a new one had not become accustomed to the company's plan of working.

Salesman's Stationery for Writing to Customers.—For writing to the customer the salesman is provided with a writing pad bearing his name and address and the information that he represents the firm.

Record of Customers.—For keeping a record of customers, a book is turned over to the salesman when he gets a district. The name, address and business of every customer who has placed an order within two years is in this book. It provides detailed information about pictures and mounts, number of

calendars and price, and business privileges allowed. The arrangement is alphabetical, by towns. The printing is on India paper, to limit the bulk of the book. The book also contains a map of the district, an index to the towns, a chronological aid for the salesman in planning his trips, and an indicator of date of customer's previous year's order. Instructions for using the information in the book are given, and to

Studebaker	
PROSPECT NOTIFICATION CARD	
INSTRUCTIONS:—Made by Salesman in original only as report to Retail Manager of new prospects secured.	
NAME	
ADDRESS	'PHONE NO.
BUSINESS	
PROSPECT FOR	
NOW OWNS	
HOW LEARNED OF	
WHEN CALL	
DATE	SALESMAN

EXHIBIT 146.—Simple card form that the Studebaker automobile salesman turns in immediately after his call on a new prospective purchaser.

prevent, if possible, utter loss of the book, the firm's name, address and offer of reward if returned when lost, are on the face of the book.

Checking Orders.—Directly upon receipt, orders are checked against stock so that they may be completed without reprinting stock. This refers to calendars on which the preliminary printing, perhaps including colors, is done in large runs. Special printing, such as the customer's business card can, of course, be done only after the order has been received. Next, entries

are made on graphs, to credit orders by districts and departments. The sales manager can then place the salesman as to performance and department. Then, the reports marked with a cross are attended to, even by telegraph, if necessary. Correspondence on colored sheets denoting beginner-salesmen is next given attention, and after all replies have been made, the reports are filed.

WEEKLY REPORT									
SALESMAN _____ TERRITORY _____ WEEK BEGINS _____							OFFICE CHECK ONLY		
SEND THIS REPORT IN TO THE HOME AT THE END OF EACH WEEK. LIST ALL CUSTOMERS CALLED ON WHETHER SOLD OR NOT ENDICOTT JOHNSON CORPORATION									
DATE	TOWN	CUSTOMER	SHOWS		CUSTOMER NOT CALLED OR NOT CALLED FOR CREDIT PURPOSES	CHECKED BY	DATE	INITIALS	REMARKS
			AT HOME	IN FIELD					

PROSPECT FOLLOW-UP REPORT									
SALESMAN _____ TERRITORY _____ WEEK BEGINS _____							OFFICE CHECK ONLY		
LIST ALL PROSPECTS CALLED ON									
DATE	TOWN	DEALER	SHOWS		ADVISED	CHECKED BY	DATE	INITIALS	REMARKS
			AT HOME	IN FIELD					

EXHIBIT 147.—Weekly report form used by a large shoe manufacturer, the Endicott-Johnson Corporation. Information about calls on customers is separated from details of calls on prospective customers. It will be observed that the salesman can answer the question about volume of the merchant's business by using a check. The report is a constant reminder of the value of showing samples. The reverse side of this form contains spaces in which the home office lists the customers and prospective customers in the territory that the salesman did not call on. Over these spaces appears the notation to the salesman "Do not use this side—for office check only." The effect on the salesman is obvious.

Filing of Reports.—The filing is done alphabetically by districts, by towns and by names of customers.

Checking Up Itinerary Sheets.—The itinerary sheet of each salesman is analyzed each week. The towns he is to visit are referred to and special information he may need is sent to him. The commission sheet is used for results shown—for comparison between districts, products, and past performances.

Name	Business																													
Address	Town																		State											
Buyer	Salesman																													
Buy largely of	Rating																													
Because																														
Circular letters:	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 Name Col. Now Owned																													
Adv. Matter:	Address Interested in Business Address																													
Synopsis of Salesman's reports:	Keeps Through Telephone																													
	DATES CALLED	FORWORTHIN APPOINTMENTS	DATES TO CALL	RESULTS AND PROSPECTS																										
	LETTERS	CATALOGS																												

NO.	DATE	SALESMAN'S REPORT								SALESMAN
NAME		ADDRESS								
BUSINESS		BUYER		PHONE		RATING		C. of No. To Visit		
SHOULD HANDLE	HOW HANDLES	SOLD TO-DAY	NEW	STOCKED	CALL AGAIN	BEST SELLER	BOYS WHAT QUANTITY	BUYS THRU		
SALESMAN'S ORIGINAL										
									DATE	
	NEW'S FROM OFFICE	ALL SALES MADE	NEW CUSTOMERS		OLD CUSTOMERS		PROMPTS DESIRES	S & E SALES WRITES	SYSTEMS SOLD AND TO WHOM	
		RS SALES	RS AMOUNT	RS SALES	RS AMOUNT					
	Visit Prospects									
	Mail or Telephone									
	Convert Calls on Non-Customers								Remarks, Orders List etc.	
	Old Prospects and Old Customers									
REMARKS										
My Net Sales To-day were as follows:										
To Consumers										
" " " Agents or Dealers										
All other goods to Consumers										
" " " " Agents or Dealers										
TOTAL										
FORM 1211 (204) 1-25										

EXHIBIT 148.—Series of standard forms for records of sales information, submitted by the Library Bureau.

Basis of Judging Salesman's Work.—From experience there has been evolved a basis for judging a man's work. Two methods used are thus described by the calendar concern:

1. **Sales analysis by industries:** If a man is not getting business, or not getting enough business from an industry that in another part of the country is yielding good results, this analysis enables us to point out the fact to him. We are able to show him a list of all the industries with

NUMBER OF CALLS MADE ON PROSPECTS TODAY		TODAY'S BUSINESS REPORT COLUMBIA GRAPHOPHONE COMPANY <small>This Report is to be made out in Triplicate <u>daily</u>, at close of each day's work. Forward ORIGINAL to Executive Office, 3115 Broadway, New York City. Forward DUPLICATE to your Branch Manager. Retain TRIPPLICATE. Fill in all detail as indicated by column headings.</small>	DATE	BUSINESS		
NUMBER OF CALLS MADE ON DEALERS TODAY			SALESMAN'S NAME			
NUMBER OF SALES MADE TO DEALERS TODAY			THIS REPORT MAILED FROM			
List below Dealers and Prospects called on in the order calls were made		SHOW SALES IN UNITS		DEALERS SERVICE and SUPPLY MATERIALS		
DEALER'S NAME	CITY or TOWN	RECORDS			ITEMS	NET VALUE
		GRAPHOLOGS	RECORDS	RECORDS		
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
ADD ALL COLUMNS, securing TOTAL NET SALES FOR DAY						
In case of FAILURE TO GET BUSINESS, write exact cause on line below corresponding in number to line above						
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
					Only items shown here will be allowed on Weekly Expense Report when rendered. Items must conform with those shown on Weekly Expense Report in order to be approved. BREAKFAST DINNER SUPPER LODGING TRANSPORTATION FROM TO INCIDENTALS TOTAL	
<small>(USE OTHER SIDE FOR REPORTING CONDITIONS)</small>						

EXHIBIT 149.—Comprehensive daily report form used by the Columbia Graphophone Company. This provides a summary of the day's work on dealers and prospective dealers and of the day's expenses. Sales are shown according to the various units. The reverse side of the form is divided into four spaces over which are the following headings: 1. Condition of Industries and Crops in Towns Visited; 2. Criticisms and Suggestions Picked up Today on Policies, Product and Sales Plans; 3. Dealer's Comment on Activity of Retail Floor Sales During Past Week; 4. Competitor's Unusual Activity—Local Advertising and Outside Work.

which we do business. When we have marked those from which he has secured orders, he sees the field that still remains open to him.

2. **Sales analysis by products carried:** For this we take the percentage of sales on each product to the man's total sales. From this we can show him that although he may be well above the average on one or two products, he is below in several others.

From these analyses genuinely helpful suggestions are made to the salesman. A salesman who devoted too much time in one section of his district received a map showing results expected from the other sections on the basis of population. As a consequence he spread his travel more evenly and brought in more orders. Another salesman who was always in great haste to get orders and who did not stay long

REPRESENTATIVES' DAILY REPORT			
CASH ON (✓) ALL NEW ACCOUNTS			
Town _____		County _____ State _____	
Territory No. _____		Report No. _____ Date _____ 192__	
1 Agent	5 Dealer	9 General Contractor	13 By., St. By. and Marine
2 Commiser Through Agent	6 Possible Dealer	10 Commiser District	14 Insurance Dealer
3 Painter Through Agent	7 Jobber	11 Architects	15 Insurance Possible Dealer
4 D. F. A. or D. F. A.	8 Paint Contractor (paid direct)	12 Manufacturer	16 D. C. & C.
Class No.	Business	Before making up this report read carefully the printed instructions on inside cover of this book.	
LIST HERE —Property Owners, Paintmen, Contractors and other Commiser held or solicited through Agent or D.F.A.			

EXHIBIT 150.—Simple daily report form used by Sherwin-Williams Company. See also Exhibit 151.

enough in any one place was shown how to avoid jumping about from place to place and to give closer attention to each place visited.

(Summarized from *System*, September, 1922)

Forms Used by Well Known Organizations.—Exhibits 146, 147, 148, 149, 150, 151, 152, 153 and 154 show the forms used by the sales departments of a number of nationally known concerns. They are of sufficient variety to indicate the range of needs.

Manufacturers, Railway, Street Railway, Marine and Varnish Report

Name _____ Date _____ No. _____
 Address _____ Business _____
 Representative _____ Ter. No. _____
 Officials Interviewed _____
 When is Contract Let? _____ From Whom Now Buying? _____
 Do you want Samples? _____ Wet Sample _____ Color Card _____
 Panel _____ Glass Slide _____ or Price _____ (check which)
 Send Sample to _____ Have you Entered Order for Samples? _____
 Have Samples been Tested? _____ When must Samples be Delivered? _____

When Recommendations are desired fill in the following captions:

Name of Product	How Applied	Surface (Wood, Metal or other)	Reduction Amount	What With	Air Drying Time	Bake Time	Baking Temp.	No. of Coats	Average Order	Price Paying	Size of Package	Amount Required

Remarks _____

EXHIBIT 151.—Form used by Sherwin-Williams Company, paint and varnish manufacturers, in making special reports. The characteristics of this form are the many items on which precise information is furnished.

ORIGINAL	10-228-1234-23	MONTH OF _____	
MONTHLY SALES REPORT			
TO CORONA TYPEWRITER COMPANY, INC.			
GROTON, NEW YORK			
FROM _____	OF _____		
<small>This report is to be prepared in duplicate, the original sent to the Home Office as soon as possible after the first of each month and the copy to be filed by the dealer. Be sure to give all data asked, being as explicit as possible in all information given. If purchase is a transaction, give home address. (An address gives city, street and number) All reports should be received not later than the 15th of the month following. Sales to sub-agents and sales by sub-agents should be listed separately.</small>			
MACHINE NUMBER	SOLD TO	ADDRESS	SPECIAL INFORMATION

EXHIBIT 152.—Monthly report form required by the Corona Typewriter Company from its dealers or sales agents. Its characteristic feature is simplicity, but the manufacturer volunteers the information that for a period of years dealers were asked to give, under "Special Information," the occupation of the purchaser, or the special use that he planned to make of his purchase. In this way some very valuable information concerning the best fields for the machine was acquired.

SALESMAN'S RETAIL REPORT	
WRITE OR PRINT PLAINLY	
NAME.....	.....
ADDRESS.....	.....
INDIVIDUAL.....	.....
OWNS COMP. MACHINE.....	NEW..... OLD.....
PLACED ON TRIAL.....	.....
SEE AGAIN (date).....	.....
HANDLE DEALERS (name).....	.....
HANDLE DIRECT.....	.....
PUT ON SPECIAL MAILING LIST.....	.....
PUT ON GENERAL MAILING LIST.....	.....
REMARKS.....	.....
DATE.....	SALESMAN.....

EXHIBIT 153.—Simple form for salesmen's daily reports, used by an adding machine company. This form is made in triplicate on different colors of paper. The salesman keeps one copy. The other two are for home office and district manager.

SALESMEN'S REPORTS AND LETTERS

DAILY REPORT

Day of Week	Date	City	State
<p>I have today worked hours, interviewed persons for ten minutes or longer, with the results shown below. I also made calls where the prospective customer was out or where an interview was not obtainable at that time. NOTE: Do not include "interviews" with the number of "calls." Please furnish report for each day of week.</p>			
Total amount of orders so far this week			Total for last week

Firm	Individual	Title	Sales		Remarks	
			Total of sale	Call back	No sale	

For special reports, or requests pertaining to an order, please use the special form provided for that purpose.
 NOTE: Under Sales, show by a check (✓) items sold in the column. If no sales made, check in Remarks column "No Sale" or "Call Back."

month, or year, to tabulate the average number of hours the salesman has worked, the average number of interviews daily, the average number of orders, the percentage of interviews which resulted in no sale, and so on.

Use of Post-card Form by Fuller Brush Company.—The Fuller Brush Company has found that a daily sales report on a post-card form gives good results. The very form of the card suggests to the salesman that it should be mailed daily.

This form summarizes the day's work under such classifications as "Not at home," "No admission," "Demonstrations" and "Sales."

Such a review of the day's work seems to have a good effect in calling the salesman's attention to the weak points of his work. If, for example, his number of demonstrations is small, he is reminded of this as he sees how his daily report checks up with the bulletins sent out by the company, showing general records.

Forms Used by Globe-Wernicke and Baker-Vawter Companies.—The Globe-Wernicke Company requires a daily report on calls made by the salesman. The form measures $8\frac{1}{2}$ by $10\frac{3}{4}$ and is punched on the left side for filing in a binder. At the bottom of the form is a caution about legible writing and the giving of name of both individual and firm. The salesman's name and the date appear at the top. The entire remaining space of the form is divided into three columns with the headings, "Name and Buyer," "Address," "Remarks." This form is an exceedingly simple one.

The Baker-Vawter Company's form is more elaborate and is not reproduced here because of the difficulty of getting a good reproduction. The outside dimensions of the form are 14 by 11 and it is designed for quarter-monthly report of calls and sales—reports being made on the 8th, 15th, 23d and last day of each month. At the very top of the form, blanks are provided for the date of the quarter, the month's quota (in dollars), the quarter's quota (in dollars), the name of the salesman and the number of his territory. In the left margin near the holes cut for binding there is this caution: "A call is an effort to sell a definite item to an authorized

buyer. All such calls are to be shown on this sheet, described as requested in Remarks Column."

The sheet is then divided into columns that provide for the following information:

Day of Month
 Firm Name
 Town
 Talked With
 Have You Sent Advertising
 Calls Made:
 (a) Not a customer
 (b) Customer
 (c) Prospective Customer Created
 Dollar Results of Calls:
 (a) Commercial
 (b) Bank
 Total Sale
 Remarks Column
 Time of First and Last Call.

At the bottom of the form, spaces are provided for totals, as follows:

Totals this quarter
 Totals of previous reports—forward
 Totals to date this month
 Amount of expense report for this quarter.

There are also the following items to be recorded by the salesman:

Customer's Record Posted to.....19.....
 Orders Filed to....., 19.....
 Prospect Record Posted to....., 19.....

In describing its system of salesmen's reports, the Baker-Vawter Company writes:

Each salesman has a small customers' record book of a handy size to fit into his pocket, in which is recorded a complete record of sales of all items to each customer in that salesmans' territory.

As the posting of items to the customers' record book and the matter of keeping the book posted to date is a matter of pure routine, and as some salesmen are likely to overlook doing this part of their work, we ask them to report weekly the condition of their customers'

record book, whether or not the copies of individual orders are filed to date, and whether or not their prospect record is in good condition.

The entire quarter-monthly form is filled out by the salesman and is mailed to our General Sales Department, where it is filed for reference.

THE SALESMAN AS A LETTER-WRITER

Letter-writing is an art in which some salesmen will naturally be more proficient than others. It will pay any salesman who does not possess reasonable ability as a letter-writer to devote a little time to acquiring this asset. Not only can he accomplish much through occasional letters to his customers and prospective customers but he can improve his value as a scout, out on the firing line, reporting to his immediate superior, the sales-manager or a branch-office manager. A good letter-report from a salesman may be so timely or important that it may be passed around to receive the attention of a number of executives, thus giving the letter-writer the credit due for a valued bit of work.

A salesman does not always have the opportunity that some other employes enjoy of appearing in the home office frequently and talking with executives. But his letters advertise him. They reflect his individuality. Day by day, or week by week, as his letters come in, an impression of his temperament, his ability to analyze and to make sound conclusions, is being made on all the home-office people who read these letters. Therefore, he should, like every other correspondent, use care to see that his letters reflect him at his best.

In other Sections of this volume, attention is drawn to the kind of letters that may be used to produce leads, or inquiries, and letters that may be used to pave the way for the salesman's calls. Such letters are ordinarily a part of the system of the sales department rather than the work of the individual salesman. Nevertheless, there is no reason why the individual worker should not profit by these suggestions. Where it is consistent with the plans of the sales department and does not interfere too much with the other work of the salesman, he may do some valuable work through his own letters. Individu-

ality and personal attention are always factors in selling and a well written note or letter over the signature of a capable, conscientious salesman sent to buyers with whom he has a close relationship, or an opportunity for creating a relationship, may be worth much.

For example, a salesman who is calling regularly on dealers may write notes of the following character to a selected list of his customers or prospective customers:

Dear Mr. Smith:

Yesterday I had occasion to recall a chat we once had about the problem you are trying to work out in connection with.....

Mr., of Blank Dry Goods Company, brought up this same question and gave me the results of a plan he has carried out with apparent success.

I believe you will be interested in hearing about this when I call the latter part of the month. I have the notion that what I am going to pass along will enable you to see your way clear to handle..... with profit.

Sincerely,

Dear Mr. Brown:

I have had hard luck, as you know, in interesting you in.....

Your needs are peculiar, and maybe it has been my fault that I haven't been able to show you that you really couldn't afford not to do business with the good firm I represent.

But, now, I am a bit jubilant over some facts that I am going to put before you Friday of this week.

I look forward to seeing you.

Sincerely,

The Customer's Point of View.—In writing letters to customers, whether dealers or consumers, the salesman should do as other good correspondents do, try to look at the subject under discussion from the customer's point of view. That a salesman is anxious to make a sale means nothing to the customer, and should be concealed. The salesman should adopt the "You" spirit. He need not make a special effort to keep "I" and "We" out of his letters altogether, but what he writes should be written with the other man's affairs and interests in mind.

Make It Easy for Customers to Reply or Comply.—The salesman should make it easy for his customers or prospective

customers to do what is asked. He will do well to adopt some of the methods of the mail-order correspondents: use postal cards; suggest that the customer jot an answer on the back of the letter; give a telephone number that the customer can easily call; and so on. Some salesmen make effective use of double postal cards, thus sending their own message and a reply card, all for two cents.

Such closing language as "Dropping the enclosed card in the mail today will enable me to give you our promptest attention" is better than the hackneyed "Do it now—before you forget it," or "Today is the day for the progressive man. Tomorrow never comes."

Need for Tact in Answering Some Customers Letters.—A salesman has unusual need for tact in answering letters or notes sent to him by customers who are dissatisfied or disappointed in their purchases. In general, a well qualified correspondent at the home office is likely to be more successful in handling such letters. It often happens, though, that the salesman's personal relations with customers are such that he is obliged to give some attention to letters of this type, though he may at the same time forward the letter to the home office for further attention.

It will not do to be too independent with the customer; to tell him that he expects too much or infer that he is too stupid to appreciate the merits of the merchandise or to understand the operation of the machine. Nor is it good tactics to throw all the blame on the salesman's firm. It is well to remember that customers are often impatient, do not go into things fully and may exaggerate grossly in expressing their disappointment. Their complaints are not usually as serious as they appear to be at first sight. A little liberality and patience on the part of the salesman will accomplish much. The following paragraphs illustrate the right spirit for such letters.

1. Don't conclude, Mr. Jones, that the machine will not do your work properly. Maybe we have been at fault in not explaining its operation thoroughly, or maybe you, in your first reading of the manual, failed to grasp some of the directions. Just do me the favor, won't you, of reading that booklet carefully again, giving particular attention to pages 10 and 78.

2. Of course, Mrs. Tolliver, it is possible that some mistake was made by the firm. In spite of our good service, slips do occur. Just the same, I want to be fair to both you and my firm and I ask that you defer judgment until I can come in next week and go over the matter thoroughly with you. In the meantime, I wish you would give your attention again to.....and see if possibly your first impression of it was not formed before you had grasped all of the features.

Injudicious Letters to Customers.—Be especially careful about letters to customers dealing with company policies, guarantees, prices and like topics. Rash statements or some other injudicious message may prove embarrassing, especially if the customer should forward the salesman's letter to headquarters.

Style of Language for Letters.—A frank, conversational style is the most effective for letters. It is better not to be too decidedly breezy or slangy, unless the salesman knows his correspondent very well and is sure that such language will be well received. Most people who do little letter-writing are too formal and conventional. Letters are referred to as "communications." People are "advised" instead of informed or told. Stilted language, such as "thereto," "the same," and so on, is used.

Compare the following and see how much more natural and agreeable the second example is:

1. In reply to your communication of the 15th instant, I beg leave to advise you, with regard to your recent order, that the same was shipped to you yesterday.

2. I am glad to tell you that your recent order was shipped yesterday. Thank you for writing me. You can depend on me to get busy for you at any time when something should be hurried along.

A salesman can always save time in his letter-writing by omitting the conventional openings and closings. He gains in several ways by beginning his story at once, as a newspaper reporter does. Such final paragraphs as "Hoping that this will come to the attention of those concerned at once and that you will let me hear from you as soon as convenient" mean little or nothing. If there is need for unusual attention, write "Please reply today, so I will be sure to know by Friday." Any man who studies his letters critically will conclude that

most of the "Hoping," and "Trusting" final paragraphs not only waste time but also take away from the effect of the preceding sentences of the letter.

Do Not Brag or Claim Too Much.—In letters, as in conversation, bragging and claiming too much will injure rather than increase the chance for selling. There is a more subtle way to convince the customer than by trying to pound things into him by might and main. Tell him of the experiences of other well known people and firms with the goods. Quote what they say about their experiences. The prospective customer may say that what other people have found does not necessarily prove the case for him. Nevertheless, he will usually give heed to such information and be influenced by it. It is an indirect method of convincing, but the indirect method is often the most effective.

Letters to the Home Offices.—The particular purpose in this Section is to deal with the kind of letters that the home office expects from the salesman and to suggest how he may do this part of his work with credit to himself.

Legible Writing.—Not every salesman can sit down at a typewriter and turn out, with a minimum of time, letters that can be read with ease. But even if he is not a skilful typewriter operator and even if it is not always practicable to utilize the services of a stenographer for very important letters, the salesman can at least school himself to prepare readable messages. A sales manager would rather have a hundred words written legibly than several hundred words of jumbled handwriting.

Be particularly careful to write proper names and addresses fully and legibly. Many mistakes and delays can be traced to the fact that it was impossible to tell, from the salesman's report, just what a name was.

Orderly Arrangement.—If a number of messages are to be conveyed to headquarters in one letter, the salesman will do well to present them in about the way that the suggestions in this Section are offered—a point at a time. Such a plan will have a tendency to prevent rambling and repetition.

Most salesmen's letters are decidedly rambling, going from one point to another with no regard for order or clear-

ness. An aid in getting rid of such a habit is that of intelligent paragraphing, letting each paragraph start with a new topic or a new division of an important topic. This helps the reader of the letter as well as the writer.

Separate Letters for Different Topics.—Especially when the organization for which the salesman works is a large one, is it desirable to write separate letters on each important topic. If something for the credit department is buried in the middle of a long letter dealing with items to come to the attention of half a dozen men, it may be overlooked, or not come to the attention of the credit man for four or five days.

If the firm provides a report form that gives room for remarks and special information, it is better, as a rule, to use that form. If the salesman is not provided with such forms or with letterheads that facilitate his letter-writing, he may do as other writers do—use side-heads as a means of making his topics stand out. Such headings as “Condition of Stock,” “Dealer’s Promotion Plans,” and “Customer’s Attitude,” often aid materially.

Clear thinking is a prerequisite to clear writing. Review what it is desired to convey before beginning to write. Then, break immediately into the subject, omitting the usual preliminary sentences such as “I thought I would take up with you a matter that has come to my attention today,” or “Replying to your inquiry of the fifth, which I have read carefully,” and so on.

Compare such time-wasting openings with these two concise examples:

1. Jones & Company is thinking of featuring a pool-order among farmers, in order to meet methods of a local cooperative buying Bureau. Can't we do something to help them in their publicity for this feature?

2. The best I could do here is a small-car order from Blank & Son, a firm doing a small but safe business.

Promptness.—It is just as vital for the salesman to forward his important messages promptly as for the home office to be prompt. It is certainly not to the credit of the salesman if he

delays a week in writing about something that requires quick action. He should feel free to use a special delivery stamp whenever it will serve a helpful purpose.

Address Company Letters to Company.—The habit of addressing envelopes to individuals connected with the company is not to be commended as a general practice. It may be well, sometimes, to put an individual name on the letter, but an envelop bearing the ear-marks of a personal message may remain unopened during the absence or illness of some executive and an important matter escape prompt attention.

Eliminating the Commonplace Items.—Salesmen's remarks about the weather, the superior facilities of competitors, and other topics are joked about so much that the progressive salesman will do well to minimize messages of this kind, unless the business happens to be of such character that the sales department is especially concerned about having reports on crops, the activities of competitors, and so on.

"Blue-sky" Letters.—While sales managers are interested in prospective customers, they receive so many letters painting pretty pictures of what is likely to happen that they are warranted in discouraging lengthy reports based on general observations, and to tell their men that the immediate need is business, not home-made Babson reports. If, however, a salesman can give some definite details on which his estimate of the future is based, these will be welcomed, because every live sales department is studying the future.

Real News.—Every sales manager and every general executive wants the real news from the field. In previous pages of this Section, a number of suggestions have been made as to the items of business news that are usually welcomed at sales headquarters. If such items can be conveyed on the regular sales reports, there is no special need for "news letters" from the field representative. If the sales reports do not provide for such items, then the salesman does well to cultivate the knack of writing concise, pointed reviews in his letters.

The Telegraphic Style of Letter-writing.—While not appropriate for all kinds of letter-writing, the telegraphic style is to be commended where the salesman has to write many

letters to headquarters. Adopting such a method, the salesman's reports may read in this fashion:

Aberdeen.—Farmers here show great interest in concrete silos. Many going up. Promised Blank & Son you would send one hundred silo circulars at once. Believe they would appreciate letter from you on this subject. I covered ground as well as I could.

Bel Air.—Sanders has our new sign on the broad side of his warehouse. Friendly and optimistic about outlook. Wants car ordered today to come along quickly. Went with him to see Draper Home Building Company and talked distinctiveness and economy of concrete homes in the East End development. Left Draper a booklet on this subject. Good letter might help here, as Draper has not settled absolutely on types of dwellings to be erected.

Exact Details About Complaints.—The home office is not satisfied in learning merely that a customer is dissatisfied. Whenever there is something to be smoothed out, the details should be given. The salesman should not, as a matter of habit, assume the role of advocate of the customer, but should look at the situation impartially and suggest how he thinks an adjustment could be made with fairness to both the buyer and the seller. In other words, he is not a true representative if he assumes in his letters that the home office is always wrong and the customer always right. His job is as much that of a trouble-adjuster as a trouble-reporter.

Show Appreciation of Home-Office Cooperation.—The salesman knows how he feels when some one at the home office says the complimentary word about good work done in the field. He, in turn, in his letter-writing should show his appreciation of the value of home-office cooperation—whether such cooperation comes from the credit manager, a sales correspondent, the shipping department, or some other division of the business. Pass along a remark such as "That was fine service in the case of my request about Albert Neiman & Company. Cooperation of this kind makes me feel like working my head off."

Suggest Freely but Make Allowances.—Every broad-minded sales department welcomes free suggestions from field representatives but expects, at the same time, that the men of the organization will understand that not all, or even most, of their suggestions can be carried out. The salesman who ranks

high is the man who comes forward boldly with all the suggestions that he believes would be furthering the interests of the firm he represents. At the same time, he should be broad enough to see his pet suggestions frequently turned down as being impracticable for one reason or another. The man who continually harps on a suggestion, after he learns it has been weighed carefully, may create an impression of himself that will take away from the value of some subsequent suggestion.

Take Criticism in Good Spirit.—Even when a salesman is convinced that an adverse criticism from the home office is not altogether warranted, he should be wise enough to think the incident over deliberately and broadly rather than to reply hastily and show a resentful, small-boy attitude.

Frank Confessions of Ignorance.—The man in the field who does not understand some vital matter is respected for writing to his superior and asking for further details. Such a man shows that he is not a bluffer—that he wants to do things thoroughly.

Show Willingness and Loyalty.—It is like a ray of sunshine for the sales manager to find among the daily handful of criticisms a report that reflects enthusiasm, willingness to obey orders—whether or not they are in exact accordance with the salesman's own views—and 100 per cent loyalty.

To paraphrase a popular slogan, "Give the home office a thought." When the salesman is resolved to do his bit in the field and to go out of his way now and then to get something done for the home office that possibly was not his particular job, he adds materially to his reputation as a thoughtful and loyal employe.

Be Courteous.—The courtesy rule applies, of course, as well to the salesman as to any other letter-writer. Often he may be inclined, especially when some blunt letter has come from the home office, to reply in a harsh spirit. While there may be occasions when plain words are desirable, by far the better plan in ninety-nine cases out of a hundred is to adopt a courteous spirit, which means, of course, courteous language in the letter. Few rude letters are written by thinking men that are not regretted the day after they are mailed. If the other fellow is unfair and abusive, why descend

to his level? Heap coals of fire on his head by writing in a broad, gentlemanly, good-humored spirit. A saucy, ill-spirited letter may be sent around for a number of people to read and reflect very unfavorably on a man out in the field.

The Tendency to Exaggerate.—It is a common trait among salesmen to exaggerate the conditions they find. A few cases of complaint on one point are likely to bring from the salesman a report or letter that "I hear nothing but kicks about our" If he disapproves of some kind of advertising or shipping and finds a few dealers or consumers who hold the same view, the exaggerating salesman will write to the home office that "Nobody likes our plan of"

Let such a man remember that when he exaggerates, his entire report is likely to be discounted and viewed lightly. On the other hand, if he reports exactly what he finds and does not attempt to color the situation, his views will command the attention and consideration that they deserve.

Exact Quotations from Consumers and Dealers.—It is often a good plan, instead of trying to describe the views of a dealer or consumer, to quote the exact language of a few of his expressions. This may not only save time, but will likely convince the salesman's superior that the salesman is trying to show just what was said—did not color the remarks of the customer.

Read Home-Office Letters Carefully.—The habit of hurried reading, which is common to others as well as to salesmen, accounts for many letters from salesmen asking for information already given. When this happens the salesman may be put down as being stupid or at any rate lacking in keenness—a reputation that no man wants to earn.

It is not diplomatic for a salesman to say that he lacks time to read all of the home-office letters. Neither is it good policy for a man to write to his superior and say, as one salesman did—that he would "have to have a truck to carry around all the correspondence and other material that the home office sends out."

Guard Against Excessive Letter-writing.—The salesman who writes too many letters will lessen the attention that he would receive if his letters were written at more appropriate

intervals. It is impossible, of course, to indicate here just how often a salesman, in any given type of business, should write to his superior. It is enough to lay down the fundamental truth that there is a happy medium between the habit of the salesman who never writes until his manager sends a telegram, insisting that a reply be made on some important matter, and the salesman who obviously spends too much of his time transmitting information of little value to his firm. The salesman is, or should be, a man of businesslike habits, and this should extend to his reports and letter-writing as well as to his other work.

SECTION XVI

SALESMEN'S EXPENSE ACCOUNTS

While there are still organizations that give their salesmen an "unlimited expense account" and feel that their prestige in business is increased by having their men make use of the leading hotels and travel in the greatest comfort, the trend of business in general is decidedly toward the treatment of salesmen's expense as any other expense—keeping it within reasonable limits and checking it up carefully with the amount of total business or profit produced by the salesman. Sales managers are apparently finding that while it does not pay to be niggardly with their men, it is better for the salesmen themselves to realize that the expense part of their work is inspected just as closely as the other items.

Covering Expense in the Contract.—In order to leave no ground for argument some well known organizations include in their agreement with salesmen a clause covering just what expenses will be allowed by the firm. A leading manufacturer of office systems and appliances, for example, lists specifically as items that must be regarded as personal expense:

- Pressing of Clothes
- Laundry work
- Shaves
- Shoe-shines
- Tips.

This concern also sets forth that, while it desires its men to be comfortable while traveling, it cannot afford to have its representatives on every occasion register for the best grade of room and bath in the leading hotels or pay for Pullman accommodations when the traveling is done by day. The explanation, however, is made that men are not expected to put up at third-rate hotels. The salesmen of this organization are

required to list all items of expense specifically and not to group anything under the term "incidentals." This represents rather a conservative view of legitimate expenses, as many organizations expect to compensate their men for such expenses as tips.

Concentrating Attention on Lowering Expense.—A plan that has proved effective is that of calling the particular attention of the sales organization now and then to the item of expense and conducting a friendly contest for a period to see what can be eliminated. Sometimes the management will decide that a certain total-saving should be made in the sales expense and will apportion this amount among the different territories as a quota. A contest of this kind gives the proper opportunity to comment pointedly on certain items of expense that seem to be increasing unreasonably. In other words, men get into a rut in the matter of expense as in other parts of their work and may not always be aware of just how far the expense account privilege is abused. They are often amazed when they learn the total of certain items and what percentage the total adds to the selling cost of goods. It is so easy, for example, to send telegrams that it is common to find men on the road sending telegrams where a letter would do just as well. No alert sales manager wants to discourage his men from using the telegraph wires whenever it is good business to do so, but the total telegram account at the end of the month is sometimes disconcerting..

Freight Instead of Express.—Express shipments are costly, where delivery charges are paid by the shipper. As in the case of telegraphing, it is easy to go to extremes in the matter of ordering express shipments and unduly increase delivery cost.

Careful Planning of Trips.—With the greatly increased cost of traveling, it is now more necessary than ever that a salesman's route be either carefully planned by him or by his manager in order to avoid doubling back within the route. This is a subject to which the sales manager, interested in reducing expense, can afford to give constant attention.

Better Employment of Time.—Considerable of the salesmen's expense being in the nature of an overhead expense which goes

on whether he makes 50, 75 or 100 calls a month, stress can be laid from time to time on how expense records are improved by getting on the job early and doing a complete day's work every day of the week. If the business is of a nature that does not permit effective work on Saturdays, as is often the case where the salesman's duties require calls on the retail trade, perhaps the sales manager can follow the example of the H. J. Heinz Company and show how the expense record, as well as his record in other ways, can be helped by aiding the retailers on Saturday with display, demonstration or even active sales work.

Eliminating Advertising Waste.—The constant leak which usually runs up to a big yearly total is the waste in advertising matter. Particularly is this true where the advertising matter requisitioned by the salesman goes to the trade. While some organizations do not charge advertising material in the salesman's expense account, others do, and it seems advisable. Such practice will inevitably bring to the salesman's consciousness the need for careful use of advertising.

Constant Check with Sales and Profits.—A method that has been found very effective in many organizations is that of

Mr.....	Date.....
Your Sales Today \$.....	Total to Date \$.....
Your Cost Today \$.....	Total to Date \$.....
Gross Profit Today \$.....	Total to Date \$.....
Gross Percentage Today \$....	Average Today.....
Daily Average for past 30 days \$.....	
Daily Average for past 60 days \$.....	
Daily Average for past 90 days \$.....	
Remarks:.....	
.....	
.....	
.....	
.....	

EXHIBIT 156.—Daily check up of salesman's expense with his sales and profits.

DAILY REPORT No. _____ **OF** _____

REPRESENTING _____ **OFFICE** _____

AT _____ **CITY** _____ **STATE** _____

DAY OF WEEK _____ **DATE** _____ **19** _____

BALANCE BROUGHT FORWARD _____	\$				
CHECKS RECEIVED _____	\$				
TOTAL TO ACCOUNT FOR _____	\$				
R. R. FARE _____	\$				
R. R. FARE _____	\$				
LIVERY _____	\$				
PULLMAN _____	\$				
ROOM AT _____	\$				
MEAL A. M. _____	\$				
MEAL NOON _____	\$				
MEAL P. M. _____	\$				
TEL. AND TELEGRAMS _____	\$				
OTHER EXPENSE _____	\$				
TOTAL _____	\$				

INCIDENTALS (DETAIL) _____

_____ **TOTAL INC.** \$ _____

TARGETS No. _____	\$				
SHELLS No. _____	\$				
Total Expenses for the Day _____	\$				

BALANCE FUND ON HAND FORWARD _____ \$

IN CASH _____ \$

IN CHECK _____ \$

IN MILEAGE _____ \$

PLACES VISITED	NO. OF CUSTOMERS LISTED IN BLOCK-BOOK	NUMBER OF CUSTOMERS CALLED ON	NO. OF TRADE REPORTS MADE

IF ANY TRAPSHOOTING DONE, FILL IN THE FOLLOWING:

SHELL	POWDER	SHOT AT	BROKE

MENTION ALL WORK OTHER THAN CALLING ON TRADE AND RECORD ANY CHANGE IN WEEKLY ROUTE AS FURNISHED.

ORIGINAL—Mail Daily to Wilmington, Del.

HERCULES POWDER CO.

EXHIBIT 157.—Concise expense account and daily report form used by the Hercules Powder Company. As most of the items are printed the salesman has a minimum amount of writing to do.

keeping a constant check of expense with the salesman's daily sales and his profits. This method is indicated by Exhibit 156 reproduced here through courtesy of the Dartnell Corporation. Such a daily notification is a continual reminder to the salesman as to just how his expense checks up with his production, so to speak.

Daily Expense Reports.—The form shown in Exhibit 157 is the form used by the Hercules Powder Company and is one in common use in somewhat varied style. Here the expense report is made daily and most of the items are classified for the man on the road, so that he is saved some clerical labor. This form also shows his daily calls, so that his report, as well as his sales expense, can be made out in one operation.

These blanks are furnished in paper of three colors so arranged that two carbon copies are made. The original is mailed daily to the home office at Wilmington, the duplicate to the branch office under which the salesman works, and the third copy is kept for the salesman's own file. This blank, however, is only a summary of the day's work. The Hercules salesmen make separate reports on each customer visited.

As salesmen continually complain about the amount of clerical work they are required to do and as unusual clerical work undoubtedly reduces the time they have for making calls, it seems desirable to combine accounts with daily reports. It is easy to enlarge somewhat the form shown in Exhibit 156 if the space required to record calls or other work done is not large enough to meet the need.

Exhibit 158 is a composite form of a salesman's weekly expense report made up by the Dartnell Corporation, of Chicago, from a study of a number of forms used in different organizations.

Weekly, Monthly or Yearly Records Showing Expense.—In some organizations a good purpose is served by maintaining weekly, monthly and yearly records of expense by branches and by individual salesmen, so as to keep the men constantly apprised of how much they spend and their relative standing. In working out such a record system, consideration must be given, of course, to the distance the men travel and to the territory affording large orders as compared with the territory

producing small orders, and so on. The record may be worked out in different ways as follows:

1. Sales expense per order.
2. Sales expense per thousand dollars of business.
3. Sales expense per call.

Unless analyzed in this manner, the salesman who may be most extravagant in expense may make the best showing

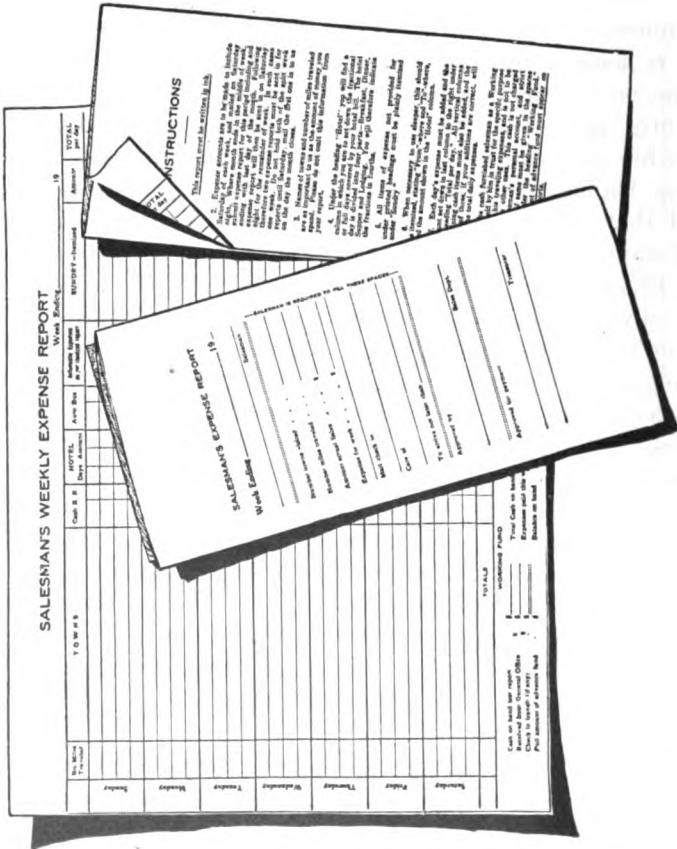


EXHIBIT 158.—Weekly expense account form made up by the Dartnell Corporation of Chicago, as a composite form embodying a number of good features in the forms used by various business interests.

because he happens to have the territory affording very large orders. Salesman are always interested in their comparative showings with each other. The man whose record indicates that he is not as careful about expenses as he should be will

likely modify his methods when record after record points out his weakness. If he does not, the only remedy is for his manager to take up the matter pointedly. If the difficulty lies in the way in which a man is working his territory, he should, of course, be coached to do his work more thoroughly in order to avoid duplicating his trips, to say nothing of losing time.

The graphic chart method, using blocks of different kinds to indicate groups of expenses (for variations of this method of charting, see Section VI, *Statistics, Charts and Records*) can be used effectively not only in comparing the relative showing of the men of various districts but also for the purpose of showing a man how his expenses of different kinds compare by months. These charts can be made up on tracing paper, so that months can be added and a blue-print taken from time to time. When June, for example, shows that the line indicating travel is much longer in comparison with the number of calls made, the facts are brought to the salesman's attention impressively. He may know them and it may be due to conditions over which he has no control, but something is always gained by letting him see just how his record stands. Such a record has the effect of the bogey idea in golf, where a man having a certain standard established for each unit of the links tries to beat that or beat his own record.

SECTION XVII

THE AUTOMOBILE IN SELLING

In many instances, firms employing large numbers of salesmen have found that the use of automobiles in suitable territories brings about:

1. Intensive working
2. More calls a day
3. Smaller territories
4. Frequently an actual saving in the salesman's operating expenses.

It has been shown by a number of experiences that a salesman with an automobile can secure from 20 to 33 $\frac{1}{3}$ per cent more business out of a given territory than he can if he has to depend on trains. The automobile is accordingly increasing in popularity in sales work, and the equipping of salesmen with cars has been given a great impetus by the lowered prices of automobiles, the continued high railroad fares, improvement in highways, and the present need of more sales and lower selling costs.

Some of the Favorable Aspects.—With the introduction of the automobile and the great increase in good roads, the possibilities buried in many out-of-the-way small towns and villages are rapidly being uncovered and developed. Except in sparsely inhabited territory, with the use of an automobile a salesman can practically reach every prospective user of the product on his route. Formerly, on account of poor train connections, poor hotel accommodations and an appalling waste of time, many of these had to be skipped entirely. The "tank town"—once despised by many salesmen—is no longer such a bugbear, for the salesman can make his call and get away without the long, tiresome waits.

One well-known firm gives the interesting information that the use of an automobile by one of its salesmen increased in one year the calls made from 379 to 578, with a total of

seventy-eight new towns added that were formerly not visited at all. The approximate amount of business secured from these new calls amounted to about \$12,000.

This firm figures that the cost of obtaining the comparatively small amount of business from each of these new towns is offset by the fact that practically all of them are called upon by the salesman when en route to and from the larger, more productive centers.

The New England oleomargarine trade of one firm required five men in years past when all the traveling was by rail. Now one man with a car is able to take care of the same territory.

In addition to facilitating the covering of territory, the automobile has the advantage of providing a ready means of carrying signs, literature, fixtures, window-display material and samples. This makes it easy for the salesman to see that display material is put up, distributed, installed, or put to the use for which it is intended.

Result of Questionnaire.—A questionnaire was sent out to a group of manufacturers as to the results obtained by making use of automobiles in their selling work. Fifty of these manufacturers record the fact that automobiles made possible an average increase of one-third more sales than in years when automobiles were not used, and add that the total sales were made at a lower percentage of cost.

Climatic Conditions to Be Reckoned With.—The severe weather and bad roads prevailing in certain sections of the country make it impracticable for automobiles to be used the year round. But the Association of National Advertisers, Inc., reports that, taking the general experience of their members scattered throughout the country, automobiles may be used for eight to nine months of the year. Each territory, in this respect must be judged by its own peculiar conditions. Seasons bring about a wide variation; there are exceptionally mild winters, as well as extremely severe ones.

Conditions Determine Practicability.—A review of the methods of more than 100 manufacturers disclosed the fact that of these only forty-five supplied automobiles for the use of their salesmen. Fewer than 50 per cent of these were able

to say that the amount of increase in sales obtained justified the expense of furnishing cars. The other 50-odd per cent either unqualifiedly disapproved of the automobile or looked upon it as an experiment that has not yet demonstrated whether or not is it a worth while investment.

This summary indicates that each sales manager will have to review all the conditions under which his men are operating before he will be in a position to say whether or not the introduction of automobiles will be a good plan. Even then, it may be necessary to do some experimenting in a few sections of territory before the matter is definitely decided for the entire organization. While some concerns have shown phenomenal increases in sales, following the introduction of automobiles for their salesmen, others report unprofitable results. In the one item of traveling expense, it seems to be the experience that travel by automobile varies in cost from an amount equaling that of railroad expense to an increase of 50 per cent, although the increases reported are usually from 12 to 20 per cent.

One sales manager's statistics indicate that his salesmen wasted one-third of their time waiting for trains. In an experiment conducted by this manager, a salesman, using an automobile, increased the number of towns visited 129 per cent in just 82 per cent of the time formerly consumed.

An analysis of increased calls usually shows an increase in sales, but it is profitable to cover additional territory only when the added territory reached is a potential selling field for the manufacturer's product.

Where calls require not more than 25 to 30 minutes of a salesman's time, automobiles can be used to greater advantage than when the salesman's stay must be much longer. One firm reports a decided falling off in all territories covered by automobiling salesmen. The decrease is attributed to the fact that the use of automobiles has had the tendency to make salesmen hurry through interviews on which a greater amount of time could be profitably expended.

Weigh Reasons For and Against.—The question of whether furnishing salesmen with automobiles lowers or increases selling cost is, of course, the hinge on which the whole plan

hangs. And whether the selling cost will be lowered or increased depends largely on the product; whether or not it is one that can be used to advantage by practically all consumers or whether it is a product with a restricted market—one that appeals just to a certain classified group. If the product is one that finds a ready market in practically every community, then the chances of making the automobile pay for itself are increased. To sum up, the employer must determine:

1. Whether or not the possible market for the product is a widely scattered one or the prospective users are reasonably close to each other.

2. Local conditions of the territory to be covered, such as climate, conditions of road cost of operating a car, which vary according to whether or not the country is very hilly.

3. Individual characteristics of the salesman and his attitude toward automobile traveling vs. train traveling.

4. Whether the time of the salesman is conserved profitably or whether the automobile tempts him to leave his prospective customer before he has exhausted every means of convincing him of his need of the product or service.

5. The kind or make of car to be used and its cost of operation, repairs, insurance, and other minor details.

REVIEW OF EXPERIENCES

The following summary of the experiences of well known firms with the use of automobiles is drawn mainly from an article in *Printers' Ink*, Vol. 107, No. 12. In reviewing expense allowances, it is well to keep in mind that gasoline prices were substantially lower when these experiences were gathered than in following years.

Armour & Company's Experience.—Armour & Company has many salesmen using automobiles owned by the company, and the company pays operating expenses. In cases where salesmen use their own machines in their work a weekly allowance is made. An increased volume of business has resulted through the automobile method of covering territory. Ford cars have proved most practical.

Robt. H. Ingersoll Experience.—F. A. Deninger, sales manager of Robt. H. Ingersoll & Brother, gives the Ingersoll experience in this language:

We have been using cars extensively since 1913, and at present are operating about 45 in the United States. All of our men travel by automobile, except two or three who work only in large cities, and others who travel in mountainous territory.

All machines are owned by the firm. We have tried several methods of paying automobile expenses. Our present policy is to pay all expenses as reported; that is, we pay for all repairs and all maintenance and operating expenses.

Our experience with automobiles has been most satisfactory. The use of them has been the means of reducing our selling costs and very greatly increasing our distribution.

The expenses of our men are approximately 25 per cent higher than they would be were they working by rail, but we are getting 50 per cent more business, because they are able to spend a much larger percentage of their time productively. In addition to increased sales, we get a wider distribution; we are able to work a great many small towns which could not be covered economically by rail, and we get more display, because our men can carry with them and distribute signs, fixtures and material for window trims.

Cudahy Company's Experience.—The Omaha branch of this well known firm pays one-half of the purchase price of cars for salesman. The other half is paid to the company by the salesman at the rate of \$25 a month. The salesman pays all expenses but is allowed \$30 a month for the upkeep of the car.

Loose-Wiles Company's Practice.—The Loose-Wiles Company, manufacturing bakers operating nationally, with branches in several important cities, buys the cars and resell to the salesmen. Figures show the expense of automobiles to be about the same as railroad fare, with an increase in business in a normal season of about 35 per cent.

Practice of Simonds Manufacturing Company.—The salesmen for the Simonds Manufacturing Company, of Seattle, Wash., have the cars purchased for them. Then, the company

allows 6 cents a mile to cover all operating and maintenance expense.

Boren-Stewart Company's Plan.—These wholesale grocers, Dallas, Texas, buy the cars outright and resell them to the salesmen at the rate of \$35 a month. Each man is allowed \$35 a month for operating expenses.

Edson-Moore Company's Practice.—This Detroit Company formerly retained control of its cars. Now they are sold to the salesmen at the rate of \$20 a month, taken from a monthly allowance of \$50. The other \$30 is allowed for expenses incident to running the cars.

Cornell & Underhill and Other Methods.—These manufacturers of iron pipe, purchase the cars and assume all expenses. The Corona Provision Company does likewise, while Koenig & Schuster, grocers, make a present of the car to old, reliable salesmen, and meet all the expenses. These are all New York firms.

Pierre Lorillard Company's Plan.—This firm of wholesale tobacconists, considers the length of service and whether the salesman is on a salary or commission. If on commission, the salesman pays the company \$10 a week until the car is paid for. During this time and afterward, the salesman meets all expenses. If on a straight salary basis, the firm stands the cost of the purchase of the car and pays all the operating expenses.

Coffee Dealer's Plan.—M. J. Brandenstein, Seattle coffee merchant, advances money to a salesman for the purchase of a car and then allows him \$100 a month for all expenses incidental to securing business. Out of this allowance, which he receives as long as he continues to operate a car, he pays back to the company \$30 a month. The company, however, continues the allowance even after the car is paid for, to cover depreciation and to allow the salesman to save the price of a new car when it becomes necessary.

Edison Illuminating Company's Practice.—This manufacturer follows several methods in connection with the Ford cars used in his work. Some of the employes own cars which the company rents at a fixed price monthly; other cars are owned by the company, which pays all expenses; in still

other cases the company has advanced part of the purchase price, the employes repaying this in monthly instalments. Where the company rents the car, it also pays a personal liability insurance premium, to cover its interests in case of accident.

INSURANCE AND TYPES OF CARS

Automobile Insurance.—Liability insurance seems to be regarded by employers as most important. Next are fire and theft insurance. There are insurance companies that give a reduction in rate on theft insurance when the name of the company or the trade-mark appears on the car.

Blanket policies, covering a fleet of automobiles, afford considerable economy and there are cases where companies take out group policies and resell them to the salesmen.

In localities where automobiles are stored for the winter, arrangement should be made with the insurance company for a rebate to cover the period when cars are not in use.

Dealing with the insurance of cars, a large national advertiser has the following regulations:

It is positively against the rules of the company for an employe to use his own car in the service of the firm, without first obtaining written permission from his district manager. When such permission is given, the district manager is expected to supply immediately to the assistant secretary of the company a full description of the car, so that liability and property-damage insurance can be placed on it in the name of the company. The same procedure must be followed when a car is purchased for the company in any district office. Delivery-cars under no circumstances must be used except in the service of the company. Such cars are covered by liability, property-damage, fire and theft policies.

No theft insurance is carried on heavy trucks, because it is felt that joy-riders will not steal automobiles of this sort, and it seems that it is the joy-rider who usually steals machines.

In case of accident the employe driving the car, whether it is his own or that of the company, must report by wire the accident to the car and the injury that has been done to person or persons. The local manager, also, in case of accident, immediately has to notify the insurance company concerned, a record of which he is supposed to have on file.

The terms of the insurance policies carried by this company are such that if an employe conveys any person or article for compensation, immediately the policy becomes null and void. For this reason the renting of cars under these conditions is absolutely prohibited.

Responsibility for Accidents.—A firm is responsible for damages in an accident, if the car is being driven by its salesman on company business, whether the car be owned by the salesman or by the company.

Makes of Cars Found Best for Salesmen.—A report of the Dartnell Corporation, compiled in 1921, shows that by far the greater number of cars used by salesmen are Fords. There is considerable difference of opinion as to what car is most practical for this purpose. Fords may be satisfactory in the case of a salesman calling upon grocers or other small dealers, while a man calling upon business people to sell securities may make a better impression with a Paige or even a Marmon. A number of companies favor the Dodge, Oakland and Buick, when records are considered over a period of years, even though the original cost is greater. Another factor to be considered is that a salesman forced to cover poor roads and difficult drives should have an easy-riding car, to prevent fatigue.

Some reports show that the Franklin automobile combines reasonable operating expense with comfort in traveling and the demand for high-class appearance, which some firms find essential. The fact that this car has no water chamber to freeze makes it particularly useful in cold weather.

With the general run of car, many firms find that the operating expense of automobiles increases during cold weather from 15 to 20 per cent—in some cases still higher. There are territories where it is possible to use cars the entire year, without hindrance from the weather. In other territories a great number of firms require that cars be stored during severe weather; still others permit cars to be used all winter, charging the extra wear and tear to operating expense.

The Ford has the highest proportionate second-hand value of almost any other car. In its class it is very economical to operate. But even here the obtainable statistics are not

USE OF AUTOMOBILES

	Section	New England	North Middle Atlantic	South Atlantic	Gulf
	Number of Houses Reporting	9	16	11	8
A	GENERAL				
1	AUTOMOBILES OWNED BY: —Salesmen —House —Both	Salesmen, 4 House, 5	Salesmen, 13 House, 2 Both, 1	Salesmen, 5 House, 4 Both, 2	Salesmen, 5 House, 1 Both, 2
2	Does your experience prove that salesmen traveling by auto make more sales and more calls in a given territory than salesmen traveling otherwise?	Yes, 7 No, 2	Yes, 15	Yes, 11	Yes, 8
3	Make of car found to be most efficient and economical.	Ford, 6 Dodge, 4 Buick, 2	Ford, 10 Dodge, 2	Ford, 8 Dodge, 2 Buick, 2	Ford, 7 Dodge, 3 Buick, 1
4	Average weekly mileage covered by salesmen traveling by automobile.	366	265	413	298
5	Comparison of automobile expense with expense of covering same territory by train plus livery.	More, 5 Same, 3	More, 6 Same, 1 Less, 1	More, 2 Same, 2 Less, 2	More, 1 Same, 3 Less, 3
B	AUTOMOBILES OWNED BY INDIVIDUAL SALESMEN				
1	Methods used in assisting individual salesmen in purchasing machines. A. Loan money on interest bearing note secured by mortgage on car with payments at regular intervals. B. Loan money on a personal loan. C. Advance cost and deduct weekly from expense allowance. D. Loan the total without interest to be paid back \$25.00 per month. E. No assistance given. F. Loan money on demand note and make arrangements for payment by regular instalments. G. Advance money but require payment within one year. H. Salesman pays 1-3 cash. House guarantees balance. J. House buys first machine and salesman pays for it by instalments. Salesman buys second machine outright.	2—A 1—B 2—C	4—A 2—B 4—C 1—D 2—E 1—F	1—A 2—B 1—C 2—E 1—G	2—A 3—C 1—G 1—H
2	Weekly compensation of salesmen for maintenance and operating expenses. A. Salesmen pay own expenses out of salary or commission.	\$28.75 1—A	\$30.20 or 6c. per mile 5—A	\$27.00 4—A	\$26.50 2—A
C	AUTOMOBILES OWNED BY HOUSE				
1	Method of checking up automobile expense as reported by salesmen. A. Check by comparison with other reports. B. Salesman's record plus receipted bills. C. Salesmen's honesty. D. Salesmen are compensated on a basis of train service plus livery.	4—A	1—A 1—B	5—A 1—C	2—A 1—B
2	Average weekly total operating and maintenance expense of operating automobiles. No depreciation included.	\$22.12	\$12.50	\$19.20	\$12.83

BY TRAVELING SALESMEN

South Western	Eastern Central	West Central	Missouri River	Rocky Mts.	Pacific Coast	General Average
6	16	13	17	5	11	112
Salesmen, 4 House, 2	Salesmen, 8 House, 5 Both, 3	Salesmen, 9 House, 0 Both, 3	Salesmen, 12 House, 2 Both, 3	Salesmen, 3 House, 1 Both, 1	Salesmen, 7 House, 1 Both, 3	Salesmen, 70 House, 23 Both, 18
Yes, 5 Same, 1	Yes, 16	Yes, 10 Same, 2 No, 1	Yes, 16 No, 1	Yes, 5	Yes, 10	Yes, 103 Same, 3 No, 4
Ford, 6 Dodge, 2	Ford, 13 Dodge, 3	Ford, 11 Dodge, 1	Ford, 15 Dodge, 3	Ford, 3 Dodge, 2	Ford, 8 Dodge, 8	Ford, 90 Dodge, 30
	300	364	356	356	319	337
More, 1 Same, 2 Less, 1	More, 2 Same, 3 Less, 3	More, 4 Same, 4 Less, 2	More, 1 Same, 6 Less, 5	More, 3 Same, 1 Less, 1	More, 5	More, 30 Same, 25 Less, 19
2—C 2—E	4—A 3—B 3—C 1—E	1—A 5—C 2—E 4—G	1—A 4—R 6—C 2—E 1—G 1—J	2—C 2—E	1—A 5—C 3—E 1—G	16—A 12—B 33—C 1—D 16—E 1—F 8—G 1—H 1—J
\$21.33 1—A	\$23.16 5—A	\$28.55 8.25c. per mile 3—A	\$21.10	\$20.00 10c. per mile	\$19.76 7.66c. per mile	\$24.63 7.98c. per mile 21—A
2—A	5—A 2—B	1—A 1—D	2—A 1—B	2—A	2—A 1—B 1—C	26—A 6—B 2—C 1—D
\$16.50	\$16.00	\$17.65	\$13.20	\$17.66	\$16.02	\$16.36

conclusive. In 1918 one concern reported the following "per mile costs" on four types of cars:

Dodge.....	9.02 cents
Ford.....	9.13 cents
Chevrolet.....	12.04 cents
Buick.....	13.08 cents

Another gave these figures:

15 Dodges.....	4.8 cents
33 Fords.....	7.1 cents
16 Buicks.....	7.2 cents
14 other makes.....	8.0 cents

A third gave the following experience:

Ford.....	7.1 cents
Buick.....	7.2 cents

In tire expense, still another firm indicates an average yearly saving in the case of the Dodge over the Buick of \$9.17 but an excess over the Ford of \$50.49.

Averaging the reports of 16 users of automobiles over a period of three years (1916-1918), when gasoline was selling at from 19 to 27½ cents a gallon, the yearly expense was \$414 per car and the average mileage cost, 7 cents.

The table shown in Exhibit 159 is reprinted by permission from the Oct. 16, 1922, issue of the *Oil, Paint and Drug Reporter* from information originally compiled by the National Hardware Association. It is a summary of the automobile experiences of more than a hundred hardware organizations during the year 1922. Much of the other specific data incorporated in this Section, is reproduced through the courtesy of the Association of National Advertisers.

SECTION XVIII

DEVELOPING INQUIRIES OR LEADS

In some departments of selling the leads come to the salesmen. This is true of many kinds of retail selling. A good location, a finely appointed store, striking windows, newsy advertising, all exert a force that draws the prospective purchaser to the seller's place of business, more or less interested in buying, or at least in seeing the merchandise. This observation must immediately be qualified, though, by the explanation that in many branches of retailing today the merchant is constantly exerting himself to develop more leads—that is, to get calls or requests from prospective purchasers or some other evidences of interest that salesmen sent out from the store can follow up. The retail business is by no means nowadays a business of making sales only within the store. Some stores go so far as to send out representatives carrying samples of merchandise into the suburbs or surrounding country.

In still other branches of selling, no great effort is put forth by the producer of the goods, or the seller, to find leads for the salesman. The salesman's "source of business" may be merely a certain territory or possibly a list of names of all the dealers in a state, all the factories of a certain class, or all the homes of a certain county or a certain part of a large city.

Advantages of Definite Leads.—There is a distinct advantage in many lines of selling in being able to put into the salesman's possession some kind of information showing that certain people, because of expressions of interest, their occupation, or other reasons, have some interest in the product or commodity to be sold.

This "breaks the ice" for the salesman. It would be disheartening for a man to canvass from house to house in order to learn of the few people who would be interested in buying a

new cooking range, though there is a possibility that such a canvass might prove successful. Salesmen have worked successfully by straight house-to-house soliciting in the selling of shower-bath equipment, washing machines, vacuum cleaners, etc.

Even some method of weeding out the people who probably could not use the article, or who lack the means of buying it, will effect a large saving in the salesman's time and energy, to say nothing of his courage. If the article he is selling is a tire-carrier that may be fitted only on the Hudson, the Studebaker and the Buick automobiles, it is a great advantage for him to have at least a list of the owners of these cars, so that his time may be given to these rather than to the owners of dozens of other makes of cars.

Taking again the subject of cooking ranges, some retailers have adopted methods of learning the names of hundreds of people who are interested in owning a new range by conducting a contest or giving away a cook-book of low cost for data about the home. In this way, though many of the names secured prove to be useless as immediate prospective customers, the dealer at least secures a great many names of persons on whom a salesman can call with some prospect of eventually making a sale.

Different Values of Leads.—The advantages of leads are:

1. The salesman has a definite object, instead of making hit-or-miss calls.
2. A person having asked for information or expressed some kind of interest will feel more inclined to give the salesman a hearing.
3. Interest having been expressed, the prospective customer has done a certain amount of thinking before the salesman calls and it is therefore easier to develop his or her interest into well defined desire or conviction of need.

Consequently, manufacturing, wholesale and retail sales organizations aim, by one means or another—where the cost is not excessive—not only to point out where the salesman can probably call to advantage but also in many cases to pave the way for him. This may sometimes be done even if the salesman cannot be furnished with an actual inquiry or other defi-

nite expression of interest. The only paving that can be done in many cases is a general advertising campaign or perhaps a series of folders, letters or cards sent to a mailing-list.

The Disadvantages of Furnishing Salesmen with Leads.—In some kinds of marketing campaigns the furnishing of definite leads to the salesmen is costly—that is, if definite leads be actual inquiries developed by advertising or through names furnished by old customers or some other method.

The sales manager or general manager may not feel warranted in furnishing the men such leads. Possibly his policy may be to furnish each man only a few such leads and leave him to his resources to develop others.

Or he may take the ground that the only kind of leads that can be economically furnished, so far as the home office is concerned, will be a selected list of persons whose occupations or previous purchases make them possible purchasers of the product.

He may even take the ground that a list should *not* be furnished—that the home office should merely give the salesman a reasonable amount of advertising literature or canvassing material, give him all the suggestions that experience has shown to be worth while in that particular business, and leave him to his own efforts.

One sales manager of a company publishing a young people's library, for which there is a sales possibility in every home where there are children and where the parents can afford books, argues that the developing of leads for his sales force is unnecessary.

His reasoning is:

1. That a great many saleswomen employed by the organization have demonstrated the feasibility of systematically calling on every home in residence districts of fair standards and that to get away from this plan and start the practice of furnishing leads is to encourage the saleswomen to think that these are really necessary for sales.

2. That furnishing leads will encourage saleswomen to skip about in their territory, running down these preferred

names, when on the old plan they would work a district thoroughly.

3. That any effort to develop leads results in a large number of idle inquiries that require long jumps by the sales force or long delays before calling, and discouragement to the representatives.

4. That leads developed by the publisher put the inquirer into possession of the publisher's address and thus enable the prospective purchaser to put the sales representative off with the excuse "I have the publisher's name and if we conclude that we want this work in our home we will order direct."

The author of this Handbook cannot lay down any rule about what kinds of business organizations should develop leads for their salesmen and the kinds that should leave this part of the selling undertaking to their salesmen. He can merely record the practice and the views of well known sales organizations and leave the reader to decide for himself what practice will best meet the situation in a given enterprise. In the following pages the methods of a number of sales organizations in developing leads for their sales representatives are summarized.

How an Automobile Company Locates Prospective Purchasers.—A New York firm, holding the agency for a popularly priced automobile, decided that the most effective method of acquiring a large prospective purchaser list was to interview people at their homes. This was particularly difficult in a city like New York where many people live in apartments and are harder to interview at the door than they would be in small cities where people of the better class live, to a large extent, in separate houses.

By assigning salesmen, assisted by trained scouts, to definite territory, it was found that about one in every ten householders was a possible purchaser. This percentage was determined following a careful house-to-house canvass. These names were carefully listed and followed up from time to time, according to the judgment of the scout as to when the prospective purchaser would be most likely to make his decision.

This method not only secured an invaluable list, which is kept up to date by an annual canvass, but resulted in

a good number of immediate sales. It was found that, despite all the obstacles, the scouts averaged 28 successful calls a day.

(Printers' Ink Monthly, April, 1921.)

Leads from a Letter Series.—With the object of getting invitations for the call of a salesman, The William B. Pierce Company, of Buffalo, manufacturers of a boiler-tube cleaner, wrote a series of five letters to 1,000 manufacturing plants in New York, Pennsylvania, Virginia and Ohio. This letter campaign cost only \$191.25 and netted 37 direct inquiries, of which 17 requested the salesman to call. The 17, with one exception, were good inquiries although not all were ready for an immediate purchase. Ten orders were secured within a reasonable time, the total business amounting to \$8,565.

The following is typical of the letters used:

Gentlemen:

A one-boiler plant in Pennsylvania was burning too much coal.

The management was sure it could be cut down.

So were we—and GUARANTEED to cut it 10 per cent.

The understanding was that if we succeeded, they were to pay us \$96.50; if not, they were to pay us nothing.

We showed them a 14 per cent saving in three days! **THEY PAID!**

Each plant has its own peculiar conditions. We're not sure, therefore, just what results we can produce until we've made an exhaustive analysis of the entire boiler plant. Whether similar results can be secured for YOU, it is impossible to say—NOW.

But if you think there's the slightest room for improvement in your plant—no matter how small it may be—we shall be glad to put our time and money into showing you what can be accomplished.

AND YOU DON'T PAY IF WE DON'T SUCCEED!

Shall we explain?

Yours very truly,

THE WILLIAM B. PIERCE COMPANY

(Sales Management, Vol. 3, No. 6.)

Corresponding with Inactive Dealers.—The Auto Parts Company, St. Louis, jobbers of automotive equipment, maintains an extensive card index of customers. Three thousand dealers in Missouri and Illinois were on these cards but fewer than half were buying from the concern. The index was checked through carefully. A card showing even one sale

during the previous twelve months was marked with a blue check. The others received red-ink checks. In order to increase the sales of specialties carried, post card announcements were sent out twice a month to those dealers whose names appeared on the blue-checked list. Only regular list prices were quoted in these card messages.

To the list of unresponsive dealers the sales manager, after a conference with his men to learn what articles would most likely be of interest, sent a letter describing the best goods of the house. Included was a notice of twice-a-month future announcements of special bargains.

The results were impressive: At the end of the first month 42 "revived" customers had been gained from the inactive list. In the following month 51 were added and 16 of the revived buyers of the previous month sent in repeat orders. The orders averaged \$7.67 each, a total of \$322.14.

In the third month 43 new customers were added to the list, and 31 repeat orders were received. The average amount of each order was larger—\$8.27. During the fourth month there were 43 more new customers and 35 repeat orders. The amounts of the orders averaged \$8.06.

In four months 106 new customers from Illinois and 73 from Missouri were added to the list of 1,700 dealers that seemed asleep or "dead." From the list of one-order-in-a-year dealers 786 extra orders were obtained.

(*Motor World*, July, 5 1922.)

Examples of Lead-creating Letters.—Two good examples of letters used to draw some expression from prospective buyers are those used by the sales agencies of the Nordyke & Marmon Company, automobile manufacturers, and the general office of the Globe-Wernicke Company, manufacturers of sectional book-cases, filing cabinets and other office equipment.

The Marmon letter is sent out over the dealer's name and on an illustrated, 4-page letterhead. The first page of the letterhead shows the picture of a Marmon car at the top and a hand holding the Marmon 34 "Score Card." Pages 3 and 4 of this illustrated letterhead make up a "double spread,"

carrying the headline, "Let us put the new Marmon 7-Passenger Phaeton to the 12 decisive 'Score Card' Tests." Three of the 12 tests are illustrated in this spread by means of small half-tones with foot-notes. There are also eight paragraphs of attractively set text, beginning with "Allow us to give you a new kind of automobile demonstration." The direct message of the letter follows:

Dear Mr.....

We have set aside time for a demonstration to you for the new Marmon 7-passenger Phaeton, and we invite you to a demonstration ride in this handsome all-season-economy car.

This demonstration will serve as your introduction to the Phaeton and to our 12-test "Score Card" system of demonstrating, by which you can later test other makes of cars.

This is a personal and sincere invitation and we really want you to come.

The Globe-Wernicke letter appeals to the curiosity of the reader. It is obvious to the intelligent man or woman that the chart has something to do with improved office equipment and it is no deception on the part of the advertiser. Nevertheless, such a letter opens correspondence with the chance that the advertiser may be able to get unusual attention to some equipment from the prospective customer. The letter sent out from the general offices at Cincinnati follows:

We are holding a Chart for you. It is printed in nine colors and black and is 19 inches by 25 inches.

To you it means decreased office expense—quicker office service—better correspondence and more business.

Write us on your business letterhead. This Chart is absolutely free without any strings tied to it, and you will send us a letter of thanks after you understand what it means to you.

Yours very truly,

THE GLOBE-WERNICKE CO.

O. S. Dreyer

O.J.D.

Adv. Manager

Scout Letter to Newspapers in Getting New Dealers. Where the job of a sales organization is to secure new dealers, local newspapers may be used to advantage. If the firm employing salesmen will write to the business or advertising

managers of the newspapers in the towns to be covered, not only will many helpful suggestions be given, but very often real and personal aid will be offered the salesmen when they get to the towns.

Suppose, for illustration, that the job of the campaign is to sell some new food product. A letter of the kind shown in Exhibit 160 might be written:

Mr. J. L. Stackhouse, Business Manager,
EASTON EXPRESS,
Easton, Pa.

Dear Mr. Stackhouse:

After preparing for a number of months, we are about to launch an active campaign for Blank's Canned Fruit Salad.

Of course you know the growing popularity of the fruit salad. Not until recently has it been possible to offer this article in first-class canned form, so as to make the preparation of an attractive fruit salad by the housewife a very easy matter. The enclosed literature will give you an idea of what we are offering in our plan.

Only a grocer appealing to the better class of trade can handle Blank's Canned Fruit Salad properly. Our Mr. Brown expects to be in Easton on or about May 10 for the purpose of arranging with one or more grocers to work with us. We should like to have your suggestions as to who would be the best grocers to approach.

If you desire, we will keep your recommendations confidential, but as we expect to do a reasonable amount of promotional work, naturally we will value your suggestions, knowing that you have first-hand knowledge and can give us valuable pointers on local concerns. We expect the local grocer to do his share of the advertising.

We shall not expect you to complete this arrangement for us, but will certainly value any help you can give.

Let us hear from you by return mail, because there is certain literature that we want to send out in advance of Mr. Brown's visit.

We have not written to any other newspaper in your city.

Appreciatively yours,

BLANK'S CANNED FRUIT SALAD COMPANY

EXHIBIT 160.—Preliminary letter to newspaper that may uncover good prospective agents.

Leads from Use of Classified Telephone Directory.—Some business organizations, particularly in the automobile field, have made good use of the classified telephone directory as a source of information for what might be termed “scouting” calls. One automobile company has its men devote a certain proportion of their time every week to this scouting work and requires them to send in a brief report on the business of the prospective customer. This report includes the name of the man talked with and his position in the business, the needs of the business as far as the salesman was able to ascertain them, kind of automobiles or trucks used, amount of loads carried, whether or not the business is likely to need automobiles or trucks within six months or a year, if none are needed at once; also whether any information could be gained from the prospective customer as to the needs of his business acquaintances for automobiles or trucks.

When these reports are sent in, the company writes a letter of appreciation for the time given the report and it is said that this letter has a good effect, even where the treatment accorded a salesman has been rather curt. In all cases where the prospect for doing business seems at all bright, the information is entered on a prospective customer’s card which receives regular attention.

A firm specializing in light trucks has gone so far as to send a man out among the farmers who market their own products to demonstrate a truck by bringing a load of produce to market.

Letting the Public See Samples or Demonstration.—Salesmen of the Winchester Repeating Arms Company have carried two sample Winchesters in a special case. These cases were to be left open whenever set down, whether in hotel, store, depot or train. The object was to arouse bystanders’ desire to handle the guns. If the company had 100 traveling men whose samples were each examined by only five people, 500 people each day would learn what a Winchester is like.

A shoe salesman made it a practice to carry about with him, unwrapped, a sample pair of shoes. Attached was a conspicuous yellow tag on which was marked: “This is

the kind of shoes I sell. I represent Blank & Co. They make the best shoes on earth. Ask me. I'll talk about them any hour of the day or night. Peter Smith, representative in this territory."

He even sent this outfit in as his business card.

One time, while seated with these shoes beside him in a hotel lobby, a man sitting nearby picked them up and after looking them over said he intended to go into the shoe business in his home town and asked to see the salesman's whole offering. That stranger became a successful dealer and a steady buyer from the salesman.

A salesman selling a motor for rowboats had a spectacular method of showing it to the public. On arriving in a town he engaged some one with a wagon to take him and his device about. His plan was to fasten the motor to the wagon in the same manner that it would be attached to a rowboat and to attach a sign telling the nature of the queer object. He occasionally varied his plan by working the motor attached to the side of a barrel filled with water, with the propeller inside the barrel. The active motor would churn up the water and a crowd would gather to see the demonstration, which was purposely staged on the sidewalk in front of the store of a dealer he wished to interest.

An automobile with any special feature about its engine will nearly always draw an interested crowd, if a demonstration is carried on near the sidewalk.

Any kind of machine operated skilfully in a window or on a sidewalk will draw interest. Naturally, municipal regulations should be observed in order to avoid trouble.

(Summarized partly from *Printers' Ink*, April 22, 1920.)

Offering Employers Aid in Finding Suitable Men.—A representative of the United Y. M. C. A. Schools' correspondence instruction department, in approaching employers, assures the employer that in return for his courtesy the representative will refer to him any bright young man that he may come into contact with who seems to have qualifications the employer can use. In other words, he agrees to become a sort of employment bureau for the employer and invites calls whenever the business man has a position to fill. His argu-

ment is that he is in constant touch with scores of ambitious young men using their spare hours in studying. Usually this offer gives him an opportunity to put spare-hour-education literature in the hands of employes—sometimes a chance to talk to a group.

When a call comes to a representative of this educational institution to recommend some candidate for a position, he assembles all the available men—sometimes even going so far as to advertise for the right man. He talks to all the applicants in a group, interviews the men in turn and, after filling the position with the most capable candidate, makes it his business to interest as many as possible of the remaining group in a course of spare-hour study.

The actual opening with a prominent concern gives him a demonstration of the demand for specially qualified men.

Providing Salesmen with Lists of Users and Likely Users. One well known manufacturer works by counties. He ascertains the number of users of his product in a given county, these all being put on one list. On another list are entered names in the same county of persons who should be users of the product. These lists are so compiled that the salesmen may enter notes opposite the names. The salesman in a given territory is supplied with these lists, which enables him to do away entirely with the hit-or-miss method of making calls. The method has resulted in more concentrated, efficient effort and has brought in as customers firms that previously had not even been thought of by the salesman as possibilities.

(Sales Management, February, 1922.)

Accident-benefit Check Excites Interest.—An accident insurance agent found that when he visited a small town with the first check due a holder of one of his policies and dropped in at the general store, mentioning the fact that he was the bearer of good news to “poor John Jones” who had recently lost his foot, immediately the people of the community seemed interested. The delivering of the check in person created some desirable publicity at the town store, as well as at the plant, and produced a number of leads.

A correspondence school representative learning of this plan adopted, with some success, the method of delivering

diplomas in person and making a news event of the delivery.

Cooking-utensil Salesmen Get Names of Neighbors.—Sales representatives of aluminum cooking utensils have found that they can secure excellent leads by getting from each purchaser names of some of her close acquaintances. Then, when they get the attention of the housekeeper at the door, if even for a few seconds, they can tactfully refer to Mrs. Blank, who furnished the name, and say that “maybe you would like to see what she has ordered in this ware,” and so on. A variation of this method is that of finding out from one home the names of the people who live on each side. This gives the salesman the chance to ask for “Mrs. Wilkinson,” Mrs. Fleming,” and so on, instead of using the hackneyed question: “Is the lady of the house in?” which question immediately reveals a selling mission.

The Drag-net Canvass.—One large correspondence school finds that many of the best leads come from actual students; but if the representative merely asks students for the names of friends likely to be interested, the questions are not specific enough to make the student think of good names. So the representative frames his questions in what has been aptly called “The Drag-net Canvass:”

“Who works next to you? What does he do? What sort of course ought he to study in order to get ahead?

“Who lives on each side of you at home? What do they do? What kind of course ought they to study in order to get along? “What young men do you pal with? What do they do?” etc.

Life Insurance Company Methods.—Life insurance salesmen depend on the following sources for leads:

1. Information from acquaintances.
2. Information from policyholders.
3. Lists of policyholders themselves, who are often the best kind of prospective purchasers for additional policies.
4. Items in newspapers and magazines about promotions, engagements, marriages, births, legacies, accidents, illness, new residents, new business ventures and all other events likely to make insurance desirable .

5. Scout, or soliciting letters, that tell only enough to draw an expression of interest.

6. Double postal-card solicitation, a variation from the letter and one that affords an easy way of replying.

7. Telephone calls to homes—judiciously conducted—to learn whether the head of the household carries insurance and whether the wife would be favorable to an income policy arranged in her behalf. A logical method of opening the solicitation is to ask if the wife herself carries insurance.

Leads Secured by Following Up Guarantee.—With every sale of a well known electric cleaner goes a guarantee-validation card, which the purchaser is asked to fill out and return. On its receipt, the manufacturer sends a guarantee certificate. There is a regular follow-up scheduled to go to the customer at the end of a 90-day period. This follow-up calls attention to the necessity for oiling the cleaner and asks if it is working satisfactorily. A part of this follow-up letter asks about friends or acquaintances of the customer who may possibly be interested in owning such a cleaner. A post card is enclosed for these names. According to the *Marketing* magazine, this method produces regularly a high-grade list of prospective customers, which lists are turned over to local dealers for attention after impressive literature is sent out direct from the cleaner company's office.

Kitchen Parties of Aluminum Ware Salesmen.—The salesmen of the "Wear-Ever" brand of aluminum cooking utensils have found an effective method of creating prospective customers to be that of having kitchen parties or demonstrations.

The salesman seeks an opportunity, when he has made a sale in a home of good type, to demonstrate some interesting things that can be done with aluminum ware. The housewife becomes interested and the salesman brings up the subject of having her invite a number of her friends in for a private demonstration of the efficient methods of cooking with aluminum utensils. The salesman makes it clear that no attempt will be made to make sales to the friends or neighbors on the day of demonstration.

· A premium is awarded to the householder for her courtesy in arranging the party.

As a customer of this kind is often inclined to rest content with calling in five or six of her acquaintances, the salesman encourages more invitations by helping her to make out a list. This is made in duplicate, the householder keeping the original as a memorandum of the telephone calls to be made, while the salesman retains the carbon and sends out a card-invitation to supplement the telephone message of the housewife.

In order that the housewife may tell her friends exactly what is to be staged for their benefit, there are printed suggestions on the form containing the list of names, to guide her in her telephone talk.

The salesman has a standard demonstration talk which paves the way for calls at homes. His plan is to arrange for definite appointments where those who attend the kitchen parties indicate a desire to see or to know more about the ware.

A variation of this plan is a party arranged at a church, a school, or some other community center.


In managing these larger parties, where ordinarily the list cannot be obtained in advance, the salesman arranges to have cards signed by every woman who attends. These cards are numbered, and a premium aluminum pan is given to the holder of the lucky number. As this premium-feature is explained at the time the visitor enters, there is usually no difficulty in getting the names of all who attend.

Automobile-tire Manufacturer's Novel Method.—A manufacturer of automobile tires secures lists of automobile owners from reliable sources, the lists indicating the make of machine owned. Then, letters are offered to the local dealers, written in the style of the letter shown in Exhibit 161. These letters come to the dealer complete, needing only his signature and a stamp. This unique solicitation, which commands attention because of referring to the owner's car, not only creates definite calls on the dealer but "breaks the ice" for a personal solicitation by the dealer or a sales representative.

International Correspondence Schools' Various Methods.—The International Correspondence Schools, of Scranton, use a


great variety of means of securing leads for their sales representatives. The more important of these are covered in the following paragraphs.

THE GENERAL TIRE



BUILT IN AMERICA

Phone 2904



J. H. TILTON

Tires, Tubes and Accessories
127 Northampton St.
Easton, Pa.

July 26, 1922.

Mr. Roland S. Hall,
119 Pierce,
Easton, Pa.

Dear Mr. Hall:

I have been intending to offer you a little service for which this store is more or less famous. When I saw your Studebaker parked down the street the other day, although I had a chance to just glance at the tires, it was a reminder to write to you about this.

Ninety percent of all tire trouble starts on the inside of the casing, where you cannot see it. It is the hot weather that usually brings this trouble to the surface. A tire whose carcass has become worn and weak will often go along in pretty good shape during the cool months but once the heat gets busy, the tire is apt to let go any minute. The best proof is the number of cars you see stopped along the road every day now with flat tires.

Even in sound tires there is some risk, due to the fact that the tube may have become stuck to the casing in spots and with a little extra expansion the tube is often deflated.

I will be glad to have the service man look over your tires and tubes and I would suggest, Mr. Hall, that you drive around or send your car for this purpose. In all likelihood the tires will need nothing but the loosening up of the tubes and a little soapstone sprinkled into each casing. There is no charge for this. If anything such as repair is needed I will suggest it to you but you can be sure that I won't recommend any work unless it is strictly necessary.

In all my experience handling tires I have found that in a broad way it pays to work for the interest of the tire user. It is true that in our tire department, by selling a tire that lasts longer, we do not sell so many tires to any one customer but this reacts in our favor because by serving them in the right spirit, for their greatest economy and satisfaction, the customers become our friends. They stick to us and boost.

Very truly yours,
J. H. TILTON
J. H. Tilton

-goes a long way to make friends-

EXHIBIT 161.—A letter that does well as a producer of calls. It refers specifically to the recipient's own automobile instead of making a general reference to service.

1. Magazine and newspaper advertisements.
2. Circulars distributed from house to house, where the laws of the community permit.

3. Circulars distributed to workers in plants, factories, etc., the distribution being made within, if the representative has opportunity to give a talk or have a display there. Otherwise, they are distributed at exits.

4. Circulars sent to selected mailing-lists, either by the home office or by the representative on his own account.

5. Window-displays, in which young men are interested by means of moving devices, posters, displays of students' work, illustrated testimonials, etc. A representative is on hand, day and evening, to give out circulars and talk with those who pause.

6. Cooperative work of active students who are persuaded by premiums and special offers to tell their friends about their studies. It has been found necessary, in this particular kind of lead-securing, to insist that the student shall not merely make up a list of names at random but actually show his work to his friends, get them not only to indicate interest but interest in a specified subject. The active student must also promise to call with the I. C. S. representative.

7. Sales of useful handbooks on a score of subjects, at popular prices.

8. Moving-picture shows of inspirational character, bringing out the value of home study. Literature containing an inquiry card is distributed at the door as the crowd passes out.

9. Inspirational magazine known as *Ambition*, which carries a display advertisement as well as a card. This is distributed to the general public, as a circular would be.

10. Magazine known as *Trained Men*, prepared especially for distribution to industrial organizations and designed to secure employers' cooperation in getting the enrolment of employes for home-study courses.

11. Letters and calls on employers.

12. Acquaintance with teachers, clergymen, class-leaders, and others who may be interested in seeing young men improve their time.

Value of a Continuous Outlook.—Another successful salesman in the talking machine business describes his survey and scout-work in the following language in *The Talking Machine World*:

Customers are often found where least expected. Do not miss any customers that may be right in your own circle of acquaintances. Get your acquaintances to put you in touch with interested persons.

Read the Newspapers

Keep in touch with all that is going on in your locality. There is often an item of news in the paper that will show you where you can find a customer. For instance, many newspapers have columns devoted to marriage licenses or wedding notices. Here is an exceptional opportunity for you to get in touch with newly married couples who would be interested in the merchandise you sell. If you read of a person's house or flat being damaged by fire, it will probably pay you to visit this person's home at once, for as soon as he collects insurance, which he undoubtedly has on his property, he may be in the market for Victrolas or records which you can sell him. Notices of engagements in your local papers also suggest opportunities for making sales.

Make friends with children, for through children you will often reach the parents and learn of their desires, which you may be able to fill. Make inquiries among those whom you meet in your store, lodges, at meetings, etc. Let people know you are a Victor dealer. Impress this upon them by courtesy and ask them to let you know if they have any friends or know of any one who may be a Victrola purchaser.

Be Systematic

Keep in an index file the names and addresses of all who may be prospective customers. Keep after them by letter, 'phone or personal calls. Remember, keeping everlastingly after them brings the business. Remember also that you should sell to those who sell to you. If you are doing business with grocer, butcher, baker and tailor, be sure to get all the business possible out of them.

DEVELOPMENT OF A SOLICITING AND DISTRIBUTING PLAN

While there can be no standard procedure for the development of distribution, the following outline is presented as an interesting history of the plans formed and carried out by a large manufacturer of home-heating equipment. It is, of course, an example of fairly rapid distribution accomplished by an established concern operating on an aggressive plan rather than a history of a slowly developed business.

Distribution Plan and Lead System.—The plan described is the one used by the American Radiator Company in selling its Arcola heating plant. Distribution was, of course, the first problem. The company, naturally, was anxious to avoid the loss or waste that would come about through interesting the consumer in the Arcola plant only to have him learn that he could not purchase except at great delay or inconvenience. The company's experience had already shown that direct sales to the consumer were inadvisable, because they immediately antagonized the dealers. On the other end of the distribution chain, if attention were given principally to the jobbers, this left most of the dealers uncovered and uninterested. The method finally adopted was that of attempting distribution through the dealers with a sales campaign among property-owners and carried out on a system by which all sales would be credited to the dealer in whose territory they were made.

For a time, the well known Dodge reports were used as leads on all building operations likely to require a heating plant. At first, an extensive department was maintained in Chicago with a large number of clerks who classified, recorded and copied the leads, sending them out finally to the salesmen in whose territories the various building operations were situated. At the outset, the salesmen were required not only to follow up these leads but also to make a report as to the results. This systematic method of handling leads, while seemingly sound theoretically, proved too costly, the expense amounting to about \$200,000 a year. Therefore, it was discontinued; while the leads themselves were still drawn from the Dodge reports, they were sent out to the salesmen with the smallest amount of clerical work possible. It was left to the salesman's judgment to classify the reports and prospective customers and also to decide which ones should be made the subject of a report. No copies were kept at the home office.

Appeal to Architects.—As an effective means of appealing to architects, the American Radiator Company maintains a competent architect in its own offices—a man whose professional standing is recognized and who can give real aid to

the members of his profession in matters of drawing plans and specifications relating to heating. This architect is very well acquainted throughout his profession and is in a position to advise when architects should be approached and often in what way they should be approached. He is in a position to advise the sales organization as to the type of architect who would take offense if a property-owner were approached first. There is a group of such exclusive architects in New York City, Boston, Philadelphia, Chicago, Cleveland and other large centers.

It is recognized at the same time that there is another large group of architects who sell plans to owners for a small fee of \$25, \$50 or \$100, and in dealing with buildings handled in such a manner, the owner may be the proper prospective customer. In most cases the architect takes no offense if the owner happens to be approached without consulting him. The platform is laid down, however, that in all cases the salesman must use good judgment in his negotiations with owner, contractor and architect, lest he prejudice his own cause.

Aid to Dealers.—The American Radiator Company pays as much attention to dealers as to property-owners, architects and contractors. Every effort is made through the sales organization to make of all dealers Arcola enthusiasts and Arcola salesmen. The "sole agency" system is not used. The aim is to get as many good dealers as possible. An Arcola organization is formed, in which dealers are enrolled, a certificate of membership being awarded. Decorative window-displays are sold to dealers at trade prices and many kinds of posters and other attractive literature are furnished free. The company does as much advertising in a town as the sales possibilities warrant, but dealers are also encouraged to advertise on their own account and are given the necessary aid. The salesman devotes a week or two to starting a new dealer and teaching him store-display and selling methods, and afterwards visits him frequently.

Miscellaneous Data on American Radiator Company's Methods.—The rural districts, country towns, and suburbs of large cities furnish a better market for the Arcola heating

plant than the large cities. For example, the outlying districts and suburbs of Philadelphia form a particularly good market. This is probably because Arcola plants are designed for small houses rather than the city type of building.

The American Radiator Company's selling policy, up to the end of 1919, was to have its 300 salesmen go after and follow up, to the limit, each individual prospective customer. Since 1919 the policy has been adopted of making dealers in each town salesmen for Arcolas; the salesmen now devote themselves to the dealers, leaving the consumers to the dealers. Selling expense has been greatly decreased by following this policy, and figures show that sales have been trebled. In 1919, there were 10,000 Arcola plants sold, while in 1920, 30,000 were sold. The impetus for new building in 1920 must be taken into account in judging this increase.

The Company advertises Arcolas extensively in the monthly and weekly magazines that go to the builders of small homes, such as *The Saturday Evening Post*, *Country Gentleman*, *House and Garden*, *Town and Country*, and *Literary Digest*. Every effort is made to produce artistic and attractive advertisements.

In addition to the high-class magazines, Arcola advertising is carried in rural weeklies and monthlies, and in about 400 newspapers throughout the country. The amount now spent on advertising includes a considerable part of the money formerly spent by the salesmen in sifting out individual prospective buyers.

Dealers in many towns have been persuaded by the salesmen to supplement the company's advertising by their own advertising. An example of this supplementary advertising is afforded by a South Bend, Ind., paper containing a full page of Arcola publicity. The American Radiator Company's advertisement occupied one-third of the page, the remainder being made up of individual advertisements of Arcolas, by the local dealers, of which there were about a dozen.

CARDS TO INDUCE CALLS OF SALESMEN

Exhibit 162 shows specimens of cards which may be used as enclosures in soliciting letters, or as a detachable part of a folder. Both plans are used extensively. Occasionally a

double postal card is used, with a form on the "reply" card like one of those reproduced in Exhibit 162.

OTHER SOURCES OF LEADS

1. Advertisements of different kinds—newspaper, magazine, letters, folders—with some feature such as a coupon or return card that brings a response. Responses may be increased by

<p>Please send me, free of charge, your illustrated booklet of Lighting Recipes for the Home. This does not obligate me in any way.</p> <p>Name _____</p> <p>Address _____</p>	<p>Date _____</p> <p>Gentlemen: Please send further information and prices on the instruments checked:</p> <p><input type="checkbox"/> Steam Traps, also _____, for pressure of _____</p> <p><input type="checkbox"/> Radiator Traps, also _____</p> <p><input type="checkbox"/> Temperature Regulators, also _____, for use on _____</p> <p><input type="checkbox"/> Indicating Thermometers, for use on _____</p> <p><input type="checkbox"/> Strainers for _____</p> <p>Firm _____</p> <p>By _____</p> <p>Address _____</p> <p>Town _____ State _____</p>
<p>Starling Products Co., Easton, Pa.</p> <p>() I am not a user of ERUSTO SALTS at present and would like to have a sample with full directions for use. It is understood that this does not obligate me in any way. I am at present using _____ but shall be glad to have the representative of _____ (United States Patent) bring ERUSTO SALTS to my attention the next time he calls.</p> <p>Name _____</p> <p>Address _____</p>	<p>Date _____</p> <p>YES! We will consider mail promotion plans that you suggest.</p> <p><input type="checkbox"/> We are sending a letter covering the facts regarding our proposition—also our catalog and literature.</p> <p><input type="checkbox"/> Send us _____ years calendars for our office use.</p> <p><input type="checkbox"/> Send latest issue of your List Catalog.</p> <p>Firm Name _____</p> <p>Send to _____ Title _____</p> <p>Street Address _____</p> <p>City _____ State _____</p>
<p>Chas. J. Montagar Easton, Penna.</p> <p>Dear Sir:—</p> <p>Please have your representative call to see Mr. _____ on _____ at _____ about _____</p> <p>Yours very truly,</p> <p>_____</p> <p>Address _____</p>	<p>_____ 192____</p> <p>S. W. STRAWS & Co. 243 FIFTH AVE., NEW YORK CITY</p> <p>Gentlemen: Without obligation on my part, please send me further information regarding the matter referred to in your letter just received.</p> <p>Yours very truly,</p> <p>Name _____</p> <p>Street _____</p> <p>City and State _____</p>

EXHIBIT 162.—Specimens of cards found useful in inducing calls for salesmen to follow up. These cards may be enclosures in soliciting letters or a detachable part of a folder. Both plans are used extensively. Occasionally a double postal card is used, with a form like one of the above as the "reply" card.

offers of samples, novelties or such special literature as plan-books, recipe books or other collections of useful information.

2. As is set forth elsewhere in this volume, sampling is often an efficient method of developing interest and inducing requests. Even if an actual inquiry cannot be induced,

the sending of samples to a selected mailing-list may pave the way for subsequent calls by the salesmen.

3. Items in newspapers, trade publications and in correspondence often suggest good leads.

4. Booths at fairs, exhibitions and shows frequently provide good lists of prospective customers. In a show of automobiles, farm machinery or household appliances such as washing machines or vacuum cleaners, there should be some way provided by which the interested visitor can put his or her name on a card as a request for a catalogue or other literature or information.

5. Little inducements to old customers frequently provide first-class mailing-lists or "calling lists" of prospective customers. Sometimes old customers will go out of their way to put in a word about a satisfactory product and this recommendation will afford a good foothold. Even if customers cannot be induced to go this far, permission to use their names will make a prospective customer of greater value. The salesman can make a call and open remarks with "Your friend John Blank said to me the other day he thought very likely you would be interested," and the like.

There is a happy medium between a salesman's attempting to work in the "hit-or-miss" fashion, having no list of leads or prospective customers, and the other extreme whereby his home office or branch office furnishes a mass of leads, only a small percentage of which are worth while. Where the salesman is called on to deal with long lists of names and finds that an exceedingly small proportion affords any opportunity for business, he is likely to become discouraged and to get a pessimistic idea of the value of leads. It is a good plan, if conditions permit, to group leads in different ways, classifying separately those secured on direct items of information. One concern does this, calling the better group "Prospects" and the inferior group "Suspects."

MISCELLANEOUS HINTS ON DEVELOPMENT OF LEADS AND SOURCES OF BUSINESS

Importance of the Small Customer.—The value of the small customer will naturally vary according to the nature

of the business; but, in general, business concerns put a large valuation on diversified trade, though the individual orders may not be large. The value is twofold:

1. When a firm's total business is divided among a large number of buyers, the loss of a single customer, or even of two or three, does not "make such a hole," to use a trade expression.

2. Large buyers are keen to dicker on price and to use all kinds of devices and expedients for shaving down the margin of the manufacturer. The smaller buyer is not usually in a position to demand large concessions on price. Therefore, a dozen orders from small buyers may not only make up a more stable business but may actually bring a larger profit than a single order from a large buyer, notwithstanding an increased soliciting and handling cost.

As a matter of strategy, when stocks are plentiful and price-cutting is frequent, it may pay a manufacturer or a jobber to refrain temporarily from taking large orders or contracts and to devote his best efforts to smaller orders. Later, when stocks are low and better prices can be commanded (perhaps because the conservative manufacturer or jobber is not oversold and can make prompt deliveries) he may go out and seek large orders.

Getting Salesmen Out of Their Grooves.—As is set forth in various Sections of this volume, a constant problem is that of getting salesmen to cover their territories thoroughly. It is often the case that a salesman "knows his territory too thoroughly." That is, he thinks he does. Having covered what he regards as the full list of buyers and prospective buyers, he "knows" why certain prospective customers are to be regarded as hopeless. He knows, or thinks he knows, that certain buyers are keen for buying certain kinds of goods but hopeless prospective customers for other goods. A new salesman, having no set ideas on these things, will discover new sources. He will be rash enough to solicit customers that the older man in the territory had decided to let alone. The new man's personality may be such as to enable him to approach some of these men better than the former representative. For this reason, wise sales

managers are inclined to do some changing of territory now and then.

It may be put down as axiomatic that a business goes either forward or backward. If it continues to do business year after year with just the same circle of customers, something is wrong. A live sales manager will insist on having a healthy increase in new accounts every year, unless conditions are so abnormal as to make this impossible.

SECTION XIX

SAMPLES AND SAMPLING

It is easy to understand why sampling is often one of the most effective means of selling. The next thing to seeing the full-sized article is seeing a good sample of it, and often the article itself is sold in such small units that a full-sized specimen can be distributed free, or sold at a special price as a sample.

Appeals to Several Senses.—The sampling idea frequently gives the manufacturer an opportunity to appeal to a number of senses—sight, smell, touch or taste. Some samples—a phonograph record, for instance—may even appeal to the sense of hearing.

While sampling is in the domain of advertising, it is also in the domain of selling. The two branches of promotional effort merge or lap in such a way that it is often impossible to draw a line of demarcation.

Manufacturers of such material as roofing, wallboard, tile, hard woods, and like products, find the distribution of samples to architects and builders very effective. Usually, these specimens will be preserved and referred to occasionally. In the industrial field, the distribution of specimens of belting, samples of lubricants, hardware, and so on, has been found equally good practice.

Paper manufacturers staple specimens of different colors together neatly, the specimens being of various lengths, so that the edges of the exhibit show all colors. This makes an attractive enclosure for letters. (Exhibit 163.)

Samples may be arranged in a distinctive way, so as to make an exhibit worth keeping. Sometimes exhibits of raw materials may be shown along with the finished product, and thus provide a real educational feature. Such an exhibit may be put up in a frame or delivered in an attractive case,

if the results to be accomplished warrant such expense. Purchasing agents, schools, and many other classes of buyers place a real valuation on some of the samples furnished them.

Novelties Made of Product to Be Promoted.—An efficient method of sampling is that of having novelties of some kind made of the material. For example, if the manufacturer were

distributing something like a hard wood or a wallboard, a distinctive type of ruler made of the material would be in order. Manufacturers of abrasive materials have been successful in distributing samples made up in the form of match-holders, knife-sharpener, razor hones, etc. Leather goods manufacturers succeed in sampling their wares effectively through the distribution of such novelties as key-purses and card-cases.

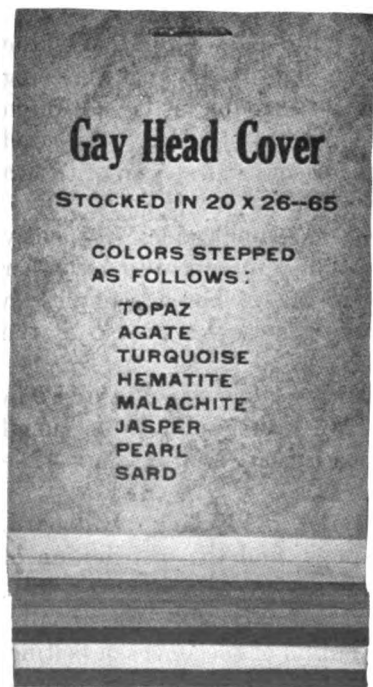


EXHIBIT 163.—Attractively arranged small samples of cover stock, making a neat enclosure with letters, statements, etc.

DIFFERENT EXPERIENCES WITH SAMPLING

One of the most interesting series of articles ever published by *Printers' Ink* was devoted to the experiences of various manufacturers with sampling. Much of the data in the following review

appeared originally in the *Printers' Ink* series.

Shredded Wheat as a Conspicuous Example.—The manufacturers of shredded wheat biscuit have found the distribution of their product in certain areas a quick and reliable method of stimulating sales. In describing the methods used, the publicity director of the Shredded Wheat Company says:

We have distributed samples of Shredded Wheat Biscuit in every city and town in the United States and Canada for the last twenty years. It was originally used as a method of introduction, but now, of course, our sample in most homes is merely a reminder of our product. Sampling is perhaps a more important factor in advertising Shredded Wheat than it would be in advertising any other food, because of the peculiar nature of our product. It is the most effective way of giving the possible consumer a quick idea of the shape, form, size and general character of the product.

Sampling is done by our own general sales agents from our own automobiles in their respective territories. We would not allow



EXHIBIT 164.—Cover pages of simple folder used by the Shredded Wheat Company in its house-to-house sampling. As produced in natural colors, this advertising matter is strong in pictorial value.

outside agencies of any kind to do our sampling for us. Our distributor rings the door-bell and makes an effort to hand the sample to the housekeeper or mother who is running the home. With the sample goes a leaflet similar to the one I am enclosing. This happens to be the leaflet we are using this year. We prepare a new leaflet for each year's sampling.

Of course, our company does not depend on sampling alone. We spend about \$500,000 a year in the daily newspapers and in some other forms of advertising. The time has perhaps arrived when we could safely dispense with sampling, but you know how hard it is to

get out of a rut. When each year's sales show an increase over the previous year's sales an advertiser is very much inclined to do about the same thing each year, so long as the method seems to bring home the bacon.

For years this company coached its sample-distributors to give a concise description of the method of manufacturing Shredded Wheat and how the process makes the product distinctive. A sentence or so about methods of serving was added. Evidently the Shredded Wheat Company now finds

Shredded Wheat — A Perfect Whole Wheat Food

Of course he wants two Biscuits! Some boys eat five or six at a sitting and then call for more. They like the tasty crispness and the nutty flavor of the baked wheat.

Children fed on Shredded Wheat develop strong, robust bodies. It contains the lime-salts in the whole wheat that are so necessary to form sound teeth; also the vitamins that are necessary to life and normal growth.

Men and women who "do things"—workers with hand or brain—like Shredded Wheat because it is so strengthening and satisfying and so easily digested.

Mothers and housewives like Shredded Wheat because it is ready-cooked and ready-to-eat—so easy to prepare a delicious meal with it in a few moments.

Persons suffering from digestive disorders like Shredded Wheat because it supplies the greatest amount of strength-giving nutriment with the least tax upon the digestive organs.

Shredded Wheat contains every element the human body needs and in exactly the right proportion; also the bran-coat of the whole wheat grain which is so useful in promoting healthful bowel movement.

Considering its nutritive value, Shredded Wheat is without doubt the cheapest food in the world today.

Shredded Wheat is 100 per cent whole wheat, made digestible by cooking, shredding and baking. It is delicious for any meal with milk or cream, or with poached eggs, sliced bananas, berries, raisins or other fruits.

To make a hot dish for a cold day, heat two Biscuits in the oven to restore their crispness; pour hot milk over them, adding a little cream and salt.

TRISCUTT is the Shredded Wheat cracker—and is eaten with butter, soft cheeses or marmalade.

Made only by

The Shredded Wheat Company, Niagara Falls, N. Y.
The Canadian Shredded Wheat Co., Niagara Falls, Canada
The Pacific Coast Shredded Wheat Co., Oakland, California

For any Meal — Ready-Cooked — Ready-to-Eat

EXHIBIT 165.—Text pages of the Shredded Wheat folder.

that a folder gives this information more definitely and with a saving of time. See Exhibits 164 and 165.

To supplement the sampling campaign, the Shredded Wheat Company has used miniature factories, models—in machinery and equipment—of the main factory. These are set up in the main district of a city and the method of manufacture demonstrated. Samples are distributed and the product is served in the approved form, with the fruit obtainable at the season.

Coffee Roaster's Plan.—A wholesaler controlling a brand of coffee has found a combined sampling and premium plan

D'Andrea Brothers Inc.
MEN'S TAILORS



587 Fifth Avenue, New York

October 21, 1922

Mr. S. Roland Hall,
c/o First National Bank Bldg.,
Easton, Pa.

Dear Mr. Hall:

Following the letter which we addressed to you recently at the suggestion of Mr. A. F. Ashbacher, we thought you might be interested in the attached samples.

When you examine them closely, you will observe some interesting points.

In the first place you will mark the fineness of the materials themselves — both cloth and silk. Let your own thumb and finger be the judges. Then you will note the care we take in matching our silks with our fabrics. In every suit that goes out from our workrooms there is the same finished precision in the craftsmanship of color.

Can you not visualize such materials and workmanship in well-finished clothes that fit you properly?

Our latest fall models of suits and overcoats are ready for you to choose from. Whether you should buy Ready-to-Wear or Made-to-Measure clothes we cannot attempt to say here. Making both, we hold no brief for either. You may depend upon receiving impartial advice from the Brothers D'Andrea.

Yours very truly,

D'ANDREA BROTHERS, Inc.

Our Telephone Number is Murray Hill 8499

EXHIBIT 166.—This letter not only puts attractive samples in the hand of the reader but also scores strongly by referring to a business acquaintance of the addressee.

his best method. The retailer is called on to furnish from 100 to 150 names of his patrons. To these names the wholesaler sends a full-sized container of his coffee, in which is placed enough coffee for half a dozen cups, also a premium list and a circular letter. The housekeeper is usually too thrifty to throw away enough good coffee for a family meal and thus the product makes its impression.

Fabrics Easily Sampled.—Such goods as shirting, cloth for suits, and kindred products, lend themselves very well to sampling, because they may easily be enclosed with the general descriptive letter. There is probably no more effective way of spreading the business of a custom tailor, for example, than the use of such letters as the one shown in Exhibit 166. Along with this letter came several attractive samples of suitings. This plan has been followed with paper, cards, twine, fishing tackle, and scores of other articles of which a small-sized sample can easily be sent with a letter.

COSTS AND PROBLEMS OF DISTRIBUTING

The chief objections to sampling as an aid to selling are the great expense and the uncertainty of getting the sample where it will receive a trial. The nature of the product determines the expense, and correct methods of distributing will, to a large extent, remove the uncertainty. By having a crew of distributors working under a manager who will make it his business to see that samples are delivered at the door and not merely thrown on the steps, the sampling can be done effectively. To make assurance doubly sure, a man may be detailed to follow up the sampling crew and ask the housewife if she received the sample, if there is any information she would like to have about the product, and so on.

In contrast to the policy of the Shredded Wheat Company, the Kellogg Toasted Corn Flakes Company is satisfied to have its distributors drop the samples into mail-boxes or just inside the doors of offices, or anywhere else where they will likely be picked up.

How Three Companies Place Samples.—The Quaker Oats Company gives its recent sampling practice as follows:

During the past few years we have given up sampling, except by mail, as well as Saturday demonstrations. Around Christmas time we do some grocers' service and sales promotion work instead of selling, but this is second rather than first choice.

In securing distribution on a new product, we usually use specialty men, local advertising and some sort of deal whereby the consumer can get a package of the new product at the grocery store at little or no cost.

The crew-work has been given up, largely because of the cost.

The manufacturer of a brand of face powder uses the moving-picture houses as his field for distribution of samples, arranging to have small boxes of powder with powder-puff given to women leaving the theater.

The Colgate Company, to introduce its Florient perfume, placed samples of it in the boxes containing tubes of their well known tooth-paste. This was sending samples direct to the consumer, with no chance for waste.

Sampling Method of Tooth-paste Manufacturer.—A well known tooth-paste manufacturer, after an experience with the distribution of samples through girls standing on the busy streets of cities, came to the conclusion that this method was unduly expensive and wasteful, although it did secure some noteworthy results. An examination of the territory covered by the girls showed hundreds of samples scattered around in the gutters and in the street. Each girl was expected to distribute a given number of samples a day, and in order to accomplish the task would sometimes give two or three samples to the same person.

An investigator found that some of the girls were not reliable and that they dumped many of their samples in garbage cans, or disposed of them in some other wasteful way.

A second method employed by this same manufacturer—that of offering a 10-cent sample free in his magazine advertising—was not very effective, either. Most people found it too much trouble to write for a sample, and, besides, a great many of the samples that were written for went to children. While it should not be argued that all of these were wasted, children in many cases seem to have contests among themselves as to who can collect the largest number of free samples.

A third method—that of attaching a coupon to newspaper advertising and informing the reader that this coupon would be honored at the local drug store or toilet counter for a good-sized free sample—was much more effective. This method, in general, assured the manufacturer and the retailer that the person asking for the sample really wanted to try it. Besides, it pleased retailers to have customers coming in for the samples.

Among drug stores, at least, the plan of having samples around in bunches or packages does not seem to have been very successful. Samples so placed are likely to be given away in quantities or stored away in a corner somewhere and never used. It has been a common experience for a representative of a manufacturer, checking up on a sampling plan, to find his shipment of samples under the counter of a drug store, or in the cellar.

Samples of Dentifrices Distributed by Dentists.—Although the dentist receives a great deal of attention from manufacturers of dentifrices, he is nevertheless a good possibility as a distributor of samples. Those who have worked through dentists report that a fair proportion of them can be appealed to effectively through some form of commission or reward for their efforts.

Street Sampling of Shaving Cream.—In contrast to the experience of the tooth-paste manufacturer is a more favorable experience of a shaving cream manufacturer. In this instance, the distributors, who worked on busy streets, were coached to give the samples to men only and to use some discretion rather than to try to crowd a sample on every man who came along.

Sampling through Newspaper Advertisements.—In some cities where one or two newspapers will cover most of the homes, and the product is one on which a valuable sample is to be given away for a nominal amount, the manufacturer may find a “spread advertisement” in a newspaper a very economical method of sampling. This method is referred to in citing the experience of a tooth-paste manufacturer on a preceding page.

In Kansas City, Procter & Gamble introduced their plan of offering six packages of their goods—including Ivory Soap,

Ivory Flakes, Star Naptha and P. & G. White Naptha Soap—at a nominal price. While at first it was planned to canvass the town, the manufacturer, learning that a daily newspaper would reach most of the homes for him, inserted a double-page advertisement containing a coupon which could be redeemed at the nearest grocer's. It is said that 54,000 coupons were used by the readers of the paper. This distribution gave the advertiser an excellent showing in Kansas City and in a very short time.

This plan also brought the cooperation of the dealers in a valuable way. The appearance of the advertisement alone had a good effect on the dealers and the redemption of the coupons by them assured their general support of the sampling program.

This plan would not work so well where newspapers are sold to a large extent on the street. Street or bulk sales of newspapers would give opportunity for boys or irresponsible dealers to secure large quantities of the coupons. The distribution of such a valuable sample for a very small amount made it necessary to guard against fraud.

Some Objections to the Newspaper-coupon Method.—The coupon method, unless backed by a large and responsible manufacturer, is not popular with dealers. In various instances, manufacturers have failed to redeem their pledges with the dealers, the result being that the dealers were left with a stock of a practically unknown product on hand. One manufacturer required that the coupons contain the signature of the housewife and that of the dealer before they would be accepted for redemption. These conditions were not always complied with and many cards were returned unredeemed to the retailer.

The "coupon free deal" is not altogether popular, even with manufacturers, because of the opportunity afforded dealers to practice dishonesty. An instance is cited of a retailer who clipped a quantity of milk coupons and had them redeemed by the manufacturer. He actually gave out only a few cans of milk from the five cases he had ordered from the wholesaler and after the campaign was over he returned three cases to be credited to his account.

Redeeming Coupons through Selected Dealers.—One dentifrice manufacturer has found it better, in advertising free samples, to select a few dealers at strategic points in a town rather than to advertise all the dealers. In a town of from ten to fifteen thousand population two or three dealers were featured. The fact that these were singled out makes them willing to place orders, to trim their windows appropriately, and to agree to distribute the samples thoroughly, in accordance with the terms of the company. The manufacturer agreed to send a booklet to each person that called for a sample, this to be mailed at about the time the person was likely to have used up the sample. An accompanying letter urged the prospective customer to call on the dealer for a further supply.

When dealers not featured in the advertising complained about this plan, the manufacturer was in a position to show figures that demonstrated that the business of all dealers was increased by the distribution of the samples.

Samples to Seemingly Idle Inquirers.—An over-zealous effort to cut down the waste of samples has led some manufacturers to conclude that such inquiries as those from children are without value. Even though these inquiries may not be worth following up, this sampling is frequently a child's first opportunity to gain acquaintance with a product and future business of real volume may depend on this first impression being favorable. Many concerns consider this method of building good-will so well worth while that they have designed miniature models of their product for distribution among children. National Biscuit Company, Royal Baking Powder Company and others distribute samples to school children. Others offer teachers a model grocery store in miniature. This outfit includes dummy packages of the manufacturer's products, and not only aids the teacher in her part of the work, but serves to bring to the attention of children, at an early age, the articles for which they will later be customers.

It is unwise to take snap judgment that there is no buying power behind a request for a sample. A manufacturer of farm-lighting equipment found that many good inquiries had

come to him from New York City. Investigation brought out the fact that a good percentage of these inquiries were bona fide, coming either from farm people living temporarily in the big city or from residents of New York who had an interest in farm properties somewhere. A Portland cement company questioned every person inquiring at its Philadelphia office for a concrete-construction handbook and found that 90 per cent of these inquirers, through ownership of farm property or some other good reason, had a real interest in the use of Portland cement. These experiences are related closely enough to sampling to make them helpful.

Effective Sampling Methods of Fels and Company.—This manufacturer of naphtha soap has employed effectively sampling crews averaging about ten men, each carefully trained and directed by a supervisor. These crews work in cooperation with dealers. Men are selected because the sample case weighs about sixty pounds when the distributor starts out, and it has been found that men can travel farther and work under adverse weather conditions better than women.

All samples are left at the kitchen door. The distributor seeks to interview the real user of the laundry soap, which in wealthy families is usually a servant. The standard canvass, given when delivering each sample, requires seven minutes, which includes an explanation as to the use of the soap.

The visit of the sampling crew to the dealer is preceded by a wagon carrying display material. The wagon man arranges with the dealer to put up this material and also gives him general information about the work of the sampling crew. The supervisor also interviews the dealer and frequently secures orders, which are turned over to a wholesaler. The canvassers visit dealers and stores that experiences in other cities have shown them can handle a laundry soap profitably. At times, canvasses are extended to paint stores, hairdressers, and even offices.

All territory is covered very closely and recanvassed within two or three years.

(Summarized from *Printers' Ink.*)

Supervision of Sample-distributors.—A firm of considerable experience in sampling has found that samplers can work to best advantage in groups of four, with one supervisor. Two samplers work on one side of the street and two on the other while the supervisor remains in a wagon or automobile. As the sampler for this firm approaches the gate of a yard, he drops his bag of samples and with just one package in his hand proceeds to the door. In some cases the samplers may be engaged in the different towns visited, but the supervisor should be a salesman and a man whose thoroughness can be depended on.

As this method is worked out to meet varying needs of different manufacturers, the supervisor is frequently required to train samplers to make a short speech or explanation to each housewife, as the sample is presented.

Some manufacturers include a brief demonstration with the presentation of each sample. Here, the samplers must be specially trained and as a general rule they travel from town to town with the supervisor.

Advertising to Supplement Sampling.—Advertising in various forms is a valuable supplement to sampling. Maintaining a display in a dealer's window, using the newspaper or billboard, are additional means of aiding the sample in making an impression.

Many can recall the troop of Quaker Oats men in special costumes who went from town to town distributing samples. The 20-mule-team, advertising borax, was another interesting outdoor feature that advertised the product effectively.

A firm that experimented with distributors attired in fine looking colonial-style costumes—knee trousers, lace decoration on coats, and other little details of dress—found that this method was more impressive in towns and cities where individual homes could be easily reached than in the larger centers where many thousands live in apartments.

Quaker Oats Company, Shredded Wheat Company and others insist that all vehicles used in sampling work must be in first-class condition.

SOME DISTINCTIVE SAMPLING PLANS

The Traveling Sample Kit.—The Rauh & Mack Shirt Company, of Cincinnati, became impressed by the frequent remark of dealers, whose stocks were in fair order and whose sales were slack: "When I need shirts I'll write in." Some of these dealers did remember their promises and wrote later for prices and swatches.



EXHIBIT 167.—The traveling sample outfit of the Rauh & Mack Shirt Company. Every detail has been prepared to make the outfit self-explanatory.

At first Rauh & Mack sent an assortment of sample shirts in discarded telescope cases. As this plan brought results, an improvement was worked out.

The standard outfit, illustrated by Exhibit 167, is contained in a suitcase within a telescope. Three pockets in the suitcase are labeled "Order Blanks," "Take One," and "How to Order." In the pocket marked "Take One" is an interesting booklet—"Song of the Shirt." This booklet tells an interesting story about the company's products.

Thirteen sample shirts are carried in the trays of this distinctive case, also a good assortment of swatches mounted on cards in a ring binder. The kit also contains a catalogue of the complete line. Retailers seem to like this simple plan, which allows them to make selections at their leisure. They are familiarized with the Rauh & Mack plan through advertising in trade papers. The catchword name "Macksi Mum"—used for this traveling sample outfit—permits of interesting and varied advertising.

At the time this plan was described in *Printers' Ink Monthly* (November, 1921) twenty-five of these outfits were in use by Rauh & Mack. Records show that in a three weeks' period the twenty-five cases reached thirty-five retailers and sold 600 dozen shirts. The expense entailed is about \$3 a call. This does not include advertising expense in the magazines reaching dealers. The firm figures that the advertising space would be used, anyhow, as a matter of policy.

The kit plan is not intended to replace the salesman's work but only as a supplemental feature. This is made clear to the traveling force. The salesman gets full commission on the business when it comes from a concern on which he has called. Absolutely new accounts secured in this way go to the credit of the house but the salesman of the territory gets credit for succeeding orders, if he calls on the customer.

The "Profit Trunk" as a Small-town Salesman.—A manufacturer of boys' shirts, rompers, and children's tub garments has also found profitable the plan of covering small towns with a traveling outfit appropriately called the "Profit Trunk." In this case the trunk is made up in album style so that as the dealer goes through the exhibit he sees the complete garment on the left-hand leaves, while on the right-hand leaves are samples showing patterns and colors. The outfit is made of strong composition material so that it will stand hard usage and still look well. The weight is about 80 pounds and the measurements are 18 by 25 by 18, with the album pages measuring 17 by 23.

The title "Profit Trunk" is conspicuously lettered on the outfit.

The manufacturer here referred to—The Kaynee Company—creates interest in the sampling outfit before it is actually sent out. While nothing is said in this firm's preliminary letter that will make the dealer feel that his business is too small to warrant the call of a salesman, it is made clear that the "Profit Trunk" is used as an economical method and so permits close prices. The company also argues that its plan enables the merchant to buy at his leisure and on his own judgment, with no salesman to over-persuade him.

To overcome the usual difficulty—that of neglect of such an outfit—the dealer is told that arrangement has been made with the express company to call for the "Profit Trunk" after leaving it with him for twenty-four hours.

To give the solicitation still more point, the manufacturer tells the merchant that only one dealer will have the opportunity of handling the goods in his town and that he has the first chance.

Arrangement is made with the express company to call for the "Profit Trunk" without waiting for any notice from the dealer to whom it is sent. The Kaynee Company sends the express company full instructions for shipping the trunk to a merchant in another town. All charges are paid by the manufacturer. In this way, routing is expedited. A blank form is furnished to the express company, to be filled out on the day the trunk is shipped, so that the manufacturer has full information and can proceed with his correspondence with the next dealer.

In a review of the experience of this manufacturer in *Printers' Ink*, it is stated that 74 per cent of the dealers reached by this method liked it—that some orders ran as high as \$400; the average order was \$87.50. Information is also given that in only about 10 per cent of cases is there any delay worth mentioning in getting off the "Profit Trunk" to a new address.

The Set of Samples Idea.—Albert Garver, general manager for Garver Brothers, of Strasburg, Ohio, put into effect a novel plan that resulted in "putting samples on the kitchen table," cooperating with the manufacturers and advertising his store at the same time. Through his agreement of 100

per cent distribution, this enterprising merchant obtained free samples from nationally known manufacturers and made up 1,500 sets of samples in baskets. These sets, he advertised, would be given free on a certain day with every purchase of groceries at his store amounting to a dollar or more—not more than one basket to a family. The 1,500 baskets were passed out quickly. Many customers could not be supplied.

In addition to assuring 100 per cent distribution of the samples, Mr. Garver agreed with the manufacturers to furnish the names of persons who took baskets, so that they could be followed up with direct-mail advertising. He also offered cooperation in arranging for demonstrations in his store of all goods that had been sampled. A number of manufacturers supplied electrotypes for the advertising of this sampling event. After the sale, each manufacturer got his list of names and a number of demonstrations were held in the Garver store.

Turning the Free Sample into a 10-cent Package.—A sales manager with a limited appropriation had to eliminate free sampling from his program. He believed in sampling, but his general advertising had to go on and he could not do both kinds of work. As a substitute for free sampling, he tried the plan of marketing a 10-cent package of the product, which previously had been offered only in packages retailing at 50 cents. The profits from one year's sale of the 10-cent package amounted to \$50,000.

The 10-cent stores have proved to be a good outlet for many products when put up into small packages. During the Great War, the Colgate Company abandoned the mailing of the 6-cent sample of Ribbon Dental Cream. At that time the 10-cent size of Colgate's cream was on sale at 10-cent stores, as well as drug stores and required only effective "pushing" in order to have the sales total grow. Through this change, the company was relieved of the expense of having a force of clerks look after mail-sample requests and also of the return postage nuisance. The sale at 10-cent stores seemed to make later sales at drug stores for the larger-sized package. Hence, the drug trade was not injured

This plan of distributing the "popularly priced" package as a sample seems one of good possibility for makers of food products, such as packaged cereals, crackers, candy, raisins, and so forth. There are a number of instances of successful sales of 5-cent packages as "introducers" of larger packages.

Combination Sales to Introduce New Products.—At the Christmas holiday season especially, "Gift Boxes" can be made up of perhaps one good seller and one or two other products the manufacturer wishes to introduce. The established article makes the sale of the combination and the others serve as samples. For instance, the firm of Johnson & Johnson grouped three of their articles, Johnson's Baby Powder (known as a wonderful "repeater") with Baby Soap and Baby Cream in a "Baby Gift Box." According to the company, "The gift box offers the opportunity of introducing the three articles



ЭКСПИБИТ 168.—Showing the products included in the Johnson & Johnson collection, which was attractively labeled "Baby Gift Box."

into homes that now use but one, and consequently means three profits on each sale instead of one.

Exhibit 168 shows the Johnson & Johnson "Baby Gift Box" and the products in the collection.

Distribution of Samples to Business Men.—An effective kind of distribution where the goods to be sold are those appealing to business men is the placing of samples at each plate at business men's dinners and luncheons, such as association conventions, meetings of the Rotary and Kiwanis Clubs,

and the like. Of course, this plan is much more effective where a speaker at the dinner or luncheon is one connected in some way with the product and can, with good taste, make some reference to it.

Where regulations permit distributors to go through business buildings and leave samples of such products as chewing gum, malted milk tablets, shaving creams, and the like, on every desk, this method has seemed successful. It is, nevertheless, full of difficulties, as most large buildings have rules that limit the free movements of canvassers and samplers. In the smaller buildings and cities, such distribution is usually easily possible.

A manufacturer of a breakfast food containing a large percentage of bran has sample packages of his cereal placed on the desks of business men, together with a plain envelop bearing the legend: "Deskitis—a new name for an old enemy."

This envelop contains an attractive folder, showing in colors the different breakfast foods manufactured, and also gives the information that an early morning dish of the bran cereal will eliminate the ill to which office workers, through lack of physical exercise, are often subject.

Samples of Linoleum in Farmers' Automobiles.—An Iowa merchant, in an effort to increase his sales of linoleum, tried the plan of cutting up attractive patterns of linoleum into small samples of $3\frac{1}{2}$ by 5 inches. On the back of these samples he pasted a small circular giving the most important information about linoleum.

There are band concerts in this Iowa town every Thursday with the result that several hundred automobiles are parked along the streets in the neighborhood of the concert. This merchant had one of his own employes place a sample of linoleum on the seat of each automobile.

Though not depending on samples alone—linoleum receiving regular attention in the newspaper advertising of the store—this merchant has found that the samples have a real force in increasing sales. He reports that the sales have about doubled since this sampling method was introduced. This retailer has a fairly accurate check on the sampling because customers

frequently bring back the samples and buy linoleum of similar pattern.

Counter Sample Books.—Where a group of merchandise is so varied that a dealer cannot hope to carry more than a small proportion of the attractive numbers sold by the manufacturer, the counter book enables him to offer to his customers as large an assortment as the metropolitan dealer may carry.

The stationery business lends itself particularly well to this method of sampling and the Eaton, Crane & Pike Company has worked out a counter book so comprehensive that it would require an outlay of \$5,000 if the dealer attempted to give his customers an equal selection from actual stock. See Exhibit 169.

Salespeople are enabled to supply the necessary information about the samples from descriptions printed upside down over each sample of stock mounted in the counter book.

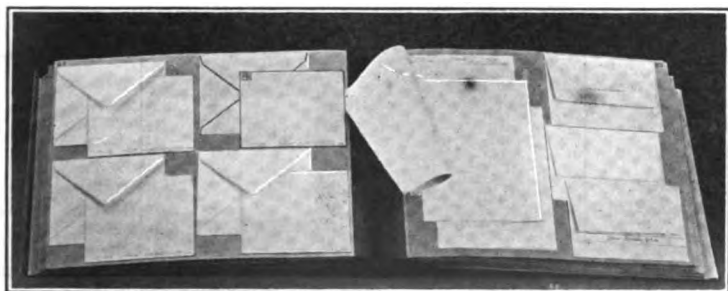


EXHIBIT 169.—Elaborate counter sample book furnished to dealers by Eaton, Crane & Pike Company.

These books are very expensive, so the Eaton, Crane & Pike Company requires that a dealer must carry a certain amount of stock in order to be supplied with one of the books.

This same plan has been adapted to the paint business by the Sherwin-Williams Company. The idea in this case is really just an assembling of color cards in convenient and accessible form. The company restricts the distribution of this book to recognized dealers.

The Scranton Lace Company has combined with its counter book a wide range of information on interior decoration.

Helpful suggestions for the curtaining of an entire modern home are included. This counter book is supplemented by a small publication put out by the company entitled "New Outlooks," which serves as an excellent dealer aid.

Hosiery Company's Economical Arrangement of Jobbers' Samples.—The Chipman Hosiery Company has in recent years abandoned the plan of furnishing complete stockings in all shades for the use of the jobbers. These specimens represented a good-sized total of expense. It was found quite satisfactory to the jobbers to have one full length pair of stockings, to show quality, cut, and so on, with an attached card containing small specimens of the other colors available. See Exhibit 170.

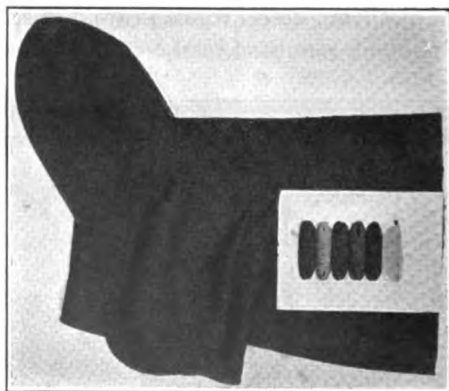


EXHIBIT 170.—Method of showing samples of hosiery that saved not only six pairs of stockings for the manufacturer but space in the cases of the hosiery jobbers.

Effective Distribution through First Campaign.—A manufacturer of a product of general consumption found it difficult to interest dealers in new territory unless he began a sampling campaign, leaving samples only when the housewife came to the door. The crews worked in groups of four, with one man responsible for each group. Following the first work of the samplers, the salesmen of the company gained distribution in from 40 to 50 per cent of the stores of a town, and this was usually followed by a gradual increase in business.

The second sampling and selling effort would ordinarily increase distribution to 70 per cent of the stores.

Soap Manufacturer Secures Selected Names.—A soap manufacturer secures fifty names and addresses from the retailer. To each of these he sends a sample, together with an explanation of the product and information as to where it may be purchased. In some cases, merchants are permitted to distribute samples direct to their customers. This manufacturer reports that both methods have been used successfully.

ADDITIONAL DATA ON SAMPLING

How the Cost of Sampling Is Charged.—Four out of six manufacturers of food stuffs who use sampling methods in dealer work charge the cost to selling expense when salesmen handle the samples. One charges the expense to advertising. The sixth charges the expense to selling, if the samples are consumed, and to advertising when the samples are used just for display.

When the samples are distributed to consumers, two out of six manufacturers charge the cost to selling expense and the other four charge to advertising expense.

Experience with Distributing Organizations.—A report issued a number of years ago by a group of manufacturers is not favorable toward the practice of employing professional distributing companies. The report indicates that professional distributors offer to distribute samples at a figure much lower than the advertiser can possibly circulate them himself, but the service is not thorough, chiefly because the price asked is insufficient to take care of the job. It is possible, of course, that organizations of this kind are improving and that some are now able to give efficient service. Most large advertisers seem, however, to prefer to control and direct the distribution of samples closely and to put some individuality into this work. For example, as each representative of the Baird-North Company presents a catalogue he says "This is a Baird-North Jewelry catalogue." It is found frequently that when a second catalogue is delivered in a later canvass many people receive the catalogue with some remark of appreciation.

Sampling in Schools.—The distribution of samples of such a product as dentifrices has been carried out effectively in schools as a supplementary feature of talks on the care of the teeth.

Demonstrations.—In many cases the nature of the product is such that a demonstration of its use is more satisfactory to the consumer than a mere sample would be. The Calumet Baking Powder Company, for instance, conducts demonstrations in grocery stores on Saturday mornings. A sample of baking powder is in itself most uninteresting but biscuits and cakes made light by means of it are convincing evidence that the powder will produce satisfactory results.

Toilet goods especially are largely popularized through demonstrators. Companies make contracts with large, centrally located department stores by which they supply demonstrators of their products who will act as saleswomen in the stores, selling anything on the counter and after a sale is made demonstrating the particular product of their company to the customer. A large store in Milwaukee has at times had ten saleswomen in the toilet goods department, only one of whom was paid by the store. This plan is said to work out satisfactorily for the retailer as well as the manufacturer.

Looking Out for Municipal Regulations.—As many cities and towns prohibit house-to-house distribution of samples, or advertising, or permit it only under certain regulations, it is important to ascertain these conditions before undertaking such work.

Sample and Literature Sent Together.—It is of great importance that the descriptive matter and the sample be received at the same time, or certainly with no long interval between information and sample. This may be accomplished by the Shredded Wheat method described in this Section, or through the use of one of the devices available today by which a letter and a package may be mailed together.

SELLING IN THE SAMPLE ROOM

Inducing a buyer to come to a show room is the big job in the selling of many products that cannot be conveniently carried

to the buyer. Much strategy is needed to induce the average retailer to visit the manufacturer's or wholesaler's sample display. Some salesmen seem particularly successful in persuading the buyers of the trade to do this, but something beyond personal effort is often needed. For example, the Wyman Partridge Company arranges a style show during State Fair Week and finds that this brings many buyers to its headquarters.

Making the sale calls for a grasp of some fundamentals of psychology. Most successful salesmen seem to get results by concentrating the attention of the buyer on a few things until a selection is made or the articles evidently fail to command interest. The rapid showing of a multiplicity of articles is likely to confuse the buyer and suggest the thought that he lacks time to consider everything, or needs only a few bargains or standard articles.

Buying requires the best of judgment. Much attention is being given by manufacturers to making the buyer comfortable during his visits to sample rooms. Poorly heated, badly ventilated, unattractive sample rooms are likely to tire a visitor or to distract him.

Many buyers depend upon their trips to the large centers to get new selling ideas and inspiration for the season's work. Catering to this point of view, enterprising manufacturers and jobbers collect and exhibit the details of successful selling experiments, photographs of good window-displays and other material of this nature, in connection with samples of goods. Butler Brothers, of Chicago, have a fully equipped variety store in several of their sample rooms, varying the displays with the changing of the seasons.

The salesmen may aid in advertising such an occasion and some concerns find it necessary to employ additional salesmen for sample-room selling. Butler Brothers formerly added to their sales force by inviting some of their best customers to act as salesmen during Fair Week.

(Summarized from *Printers' Ink Monthly*, October, 1921.)

Arrangement of Sample-room Displays.—Few hotels have first-class sample rooms. It is usually necessary for the salesman to equip himself with some of the fundamental principles that guide the professional merchandise-display man and to do

the best he can with the room at his disposal. Salesmen can get some excellent ideas by taking account of effective displays in the best stores. There are many things that enter into an effective display of merchandise or samples—lighting effects, colors, backgrounds, and even seeming non-essentials.

Lighting Effects.—Most sample rooms have only a central lighting arrangement, no account being taken of the fact that such an arrangement will throw a strong light immediately under the fixture and inadequate light in the far corners of the room. As some goods show up to better advantage under artificial light, it may be a good plan, in arranging such displays, to pull down the shades and use the artificial lighting.

Where the provided lighting arrangement is poor—as it frequently is, due to windows on one side of the room, or windows opening on a court that give a gloomy, drab appearance—it is better to resort to a combination-lighting arrangement, using both natural and artificial lighting.

Where the natural lighting is unusually strong pulling down the shades sometimes shuts out a glare and centers attention on the goods themselves. Most merchandise is displayed at its best under natural light.

In placing goods in a sample room, an effective method occasionally is to do as a photographer does in placing his subjects in a gallery. That is, arrange to place the samples in light that is not too strong, but where there is a graduated effect, giving high lights where they are most needed and softer shades at other points.

Background Treatment.—In general, light walls and light coverings for tables and display-boards are preferable, though care should be taken to avoid a glaring white. The softer antique finish of dull ivory or a soft buff, or a pleasing, soft shade of gray seem to make the best light backgrounds. If the goods to be displayed are, however, very light, a darker background and covering for tables will bring the merchandise out to better advantage.

It is obvious that displays should be arranged neatly and orderly. Collapsible racks are often of great service. These are obtainable, made of stiff paper in different heights or with different resting places for merchandise.

Harmony of Color in Arrangement.—If the products to be exhibited present a variety of colors, the salesman should look out for harmonious arrangement. If colors that clash—such as red and purple, red and pink, green and blue—are placed too close to each other, the result will be unfortunate. Something is to be gained by a massing of colors, putting all of the shades of one color into one exhibit and all of the shades of other colors into separate exhibits, being careful to have these exhibits so arranged as to colors as to get a harmonious arrangement as a whole. Practically all of the high-grade millinery shops now show a window-display of just one color or one combination of harmonizing colors. Such a display is more artistic than an indiscriminate arrangement of many different colored offerings.

The salesman may follow the principles of nature with respect to his color arrangement. That is, put in small units of bright colors in connection with larger exhibits of neutral colors.

Where covers are draped over tables, it is better to have them come all the way to the floor, rather than to show crude supports underneath.

SECTION XX

DEALER HELPS

To the manufacturer whose sales outlet or avenue is through the retail store, the matter of cooperation by the retailer is of the greatest importance. The manufacturer's own advertising and salesmanship may be of a high order. His ideal of service to the consumer of his product may be equally high. But, at the last, whether or not the consumer actually buys and whether or not he is pleased with his purchase and becomes a factor in spreading its sale are questions that must find their answer largely in the way sales are completed in the retail merchant's store.

Therefore, it has seemed well to give space in this volume to a consideration of the outstanding facts about dealer aids and methods of introducing them.

What May Come from the Showing of Goods.—Much buying is what may be termed "impulse buying"—that is, purchases made that the customer had no idea of making when entering the store. A. T. Fischer, in a helpful book entitled "Window and Store Display," published by Doubleday, Page and Company, records the following figures:

In fifteen candy stores 384 packets of a given 5-cent confection were sold in three weeks without a display. In the following three weeks, with the aid of a helpful display, 1,074 packets of the same 5-cent confection were sold.

In ten automobile supply stores 72 spark plugs were sold without special display; in the following three weeks with the aid of an appropriate display the sales were 125 plugs.

Fourteen haberdashers sold 249 men's garters without special display in three weeks. With the aid of special and appropriate display, 581 were sold during the following three weeks.

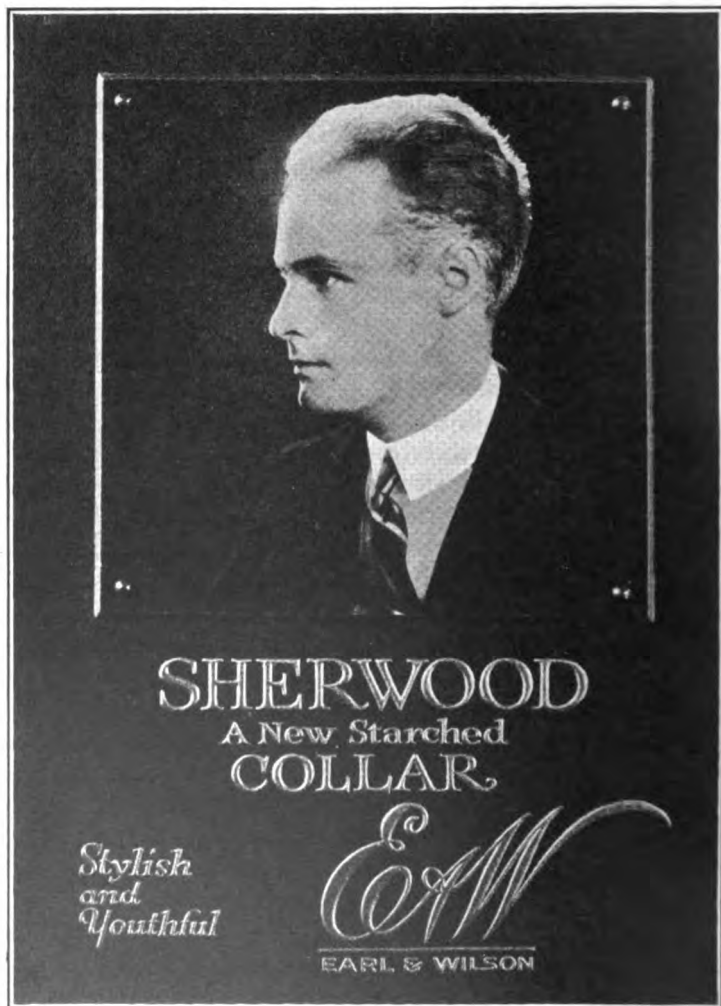
These comparisons show an increase of from 74 to 223 per cent because of the display of goods.

Such figures show the real aid of the store-display to the dealer. The general type of retailer may find it difficult to appreciate the value of national advertising, but he knows the value of advertising helps that increase his turnover, that make extra sales, that save personal sales effort, or that demonstrate the oral argument for the dealer. In other words, the results of store-display appeal to the selfish interests of the dealer, and properly so.

It is ordinarily useless to talk to the dealer only about the "wonderful national campaign," the millions of readers that will see the advertising, and so on. Why should the dealer be greatly interested in the advertising done in far-off states if he is doing business only in Hannibal County of his own state? His concern is not with the 5,000,000 readers whose attention the advertising is getting from the Atlantic to the Pacific, but with the 6,375 of these readers who live in Hannibal County and who may, therefore, do business at his store. Therefore, the advertiser should show the application of the campaign to the local territory and deal with ways and means of turning general interest into sales.

Value of Pictures Where Goods Are on Sale.—Purchases are made largely through pictures, and naturally no place is better for the picture than the dealer's place of business. There it is close to the article when the customer is in the buying mood. The picture in the magazine at home may be remembered, but it is easily forgotten. An attractive illustration of the goods, or the goods themselves, on display at the dealer's store is the best type of tie-up. See Exhibits 171 and 172.

Particular Value of Counter-display.—The value of counter-display, even above that of window-display, must be conceded in many cases. It is of paramount importance to scores of manufacturers to create something in their display material that may be used on counters. The busy housewife may enter a grocery store without a glance at the windows, though she is always receptive to suggestions to help her in her planning. This principle applies perhaps most aptly to lines of retailing where foodstuffs are sold, but it applies to other lines also, and if some part of the manufacturer's display material can be



SHERWOOD
A New Starched
COLLAR

*Stylish
and
Youthful*

E & W
EARL & WILSON

(Courtesy of Carl Percy, New York.)

ЭКВИТ 171.—Simple but very handsome card, 9 by 12 inches, intended for counter use. The background was imitation leather. The realistic half-figure was a gelatine print mounted on a plaque which was nailed to the background with four brass upholstery nails. Such cards aid the manufacturer's salesmen and also aid the retail store in showing the exact effect of the collars it is advertising.

worked out as an effective inside selling aid it will probably find an important place. The dealer is the first to recognize that this is the simplest form of merchandising.

Merchandise Holders.—Acceptable counter-displays may be easily created for most small-package goods and goods of moderate price. In such cases, the display can be combined with a holder that contains either a sample package or a quantity of packages, making the counter-display and fixture



EXHIBIT 172.—Cardboard window-display feature referred to usually as a “cut-out.” The original was 28 by 38 inches and was lithographed in ten colors. The effect is simple but striking, for it pictures attractively the use of good hardware on the garage.

a silent salesman. There is room for ingenuity and artistic skill in creating this kind of display aid.

The general experience is that the amount of goods stolen from fixtures of this kind is very small. The small loss is balanced many times by the purchases of customers who either pick up a package on impulse and pay for it or ask to be served,

though they had no idea of buying on entering the store. The larger and heavier goods, however, may be illustrated by counter-displays though the goods themselves may not be in plain sight.

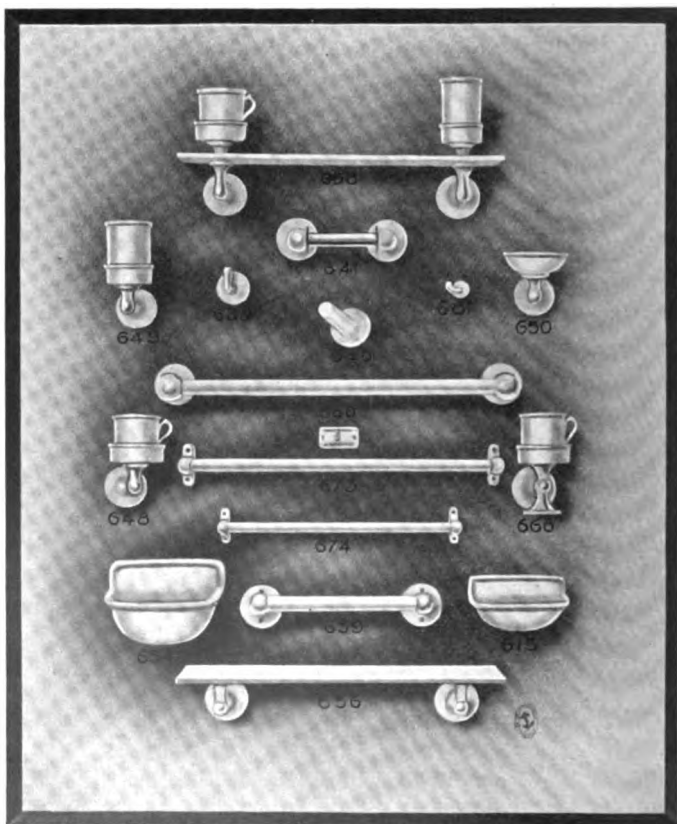


EXHIBIT 173.—A form of display-board used effectively by manufacturers of bathroom fixtures. These are furnished to retail dealers and are an effective means of increasing sales. The numbers on the board refer to stock supplies.

Display-boards and Frames.—A great many small articles, such as bathroom accessories, hardware, and so on, are purchased largely because they are placed on attractive display-boards where customers can see them at close range and even handle them.

Exhibit 173 is a typical layout of a manufacturer of plumbing fixtures. Such an exhibit, though it is costly, cannot fail to create sales, if it is properly placed by the retail dealer or manufacturer's salesman.

Furthermore, the system of numbering affords an easy key to stock and facilitates the filling of orders.

Some of the automobile companies have arranged large displays of this kind that constitute a most effective exhibit in a show-room. In the case of the automobile manufacturer, the job is not to sell the items displayed, but to show some interior features of the automobile that cannot very well be shown in an assembled machine. Automobile accessories may, however, be effectively shown and sold from such a display fixture. These impressive automobile exhibits are usually made a part of window-displays.

Hanger for the Catalogue.—Earl & Wilson, manufacturers of collars and shirts, realize that because most haberdashers do business in very small quarters there is danger that the catalogue will be buried and inaccessible when needed. So with each catalogue sent out, this company sends along a screw in a special envelop. In this way the catalogue is usually hung up and kept in sight in much the same way that the telephone directory is kept at hand.

Another concern, sending out a chart, furnished four thumb tacks to be used in putting it on a bulletin board or some other appropriate place.

Common Weakness of "Dealer Material."—The weakness of most material sent by manufacturers to retail dealers is that the material itself does not fit distinctively into any plan previously presented to the dealer, and there is no check-up to find out whether the material ever reaches the dealer, or, if reaching him, is really used. It is safe to say that the larger part of dealer material is created on somebody's whim or notion that the complete advertising plan requires something to be sent to the dealer. This "something" too often is a mere after-thought, prepared by some lithograph or printing house to meet the personal ideas of one executive, and sent out only to be speedily forgotten or neglected. No such close attention has in the past been given to this phase of the work as is given

to sales work or to periodical advertising. Very little study is ordinarily made of dealer needs or likes. Many instances are on record where costly material was prepared which was of such size that it actually would not go into the windows of most of the retailers to whom it was sent.

Some manufacturers frankly say that they devise displays that will not cost them much, because most dealers leave them unpacked and throw them away without use. Others proceed on the sounder principle of creating something of unusual effectiveness and then developing a real plan to keep the display in active circulation.

Some Reasons Why Dealer Displays Are Not Used.—Some of the reasons given why retail dealers will not use the display aids supplied by manufacturers are:

1. Because the fixture or display is too large.
2. Because it is complicated.
3. Because it calls for the use of too much extra material, or material that is hard to secure.
4. Because it came at the wrong season.
5. Because it appeals to too small a part of the dealer's trade.
6. Because the article the display advertises does not afford enough profit.
7. Because the display is garish or clumsy looking.
8. Because it is top-heavy and is difficult to keep in place.
9. Because, though it was designed for a counter-display, it is so big that it hides the customer from the salesman or vice versa.

Dealer's Attitude Toward His Windows.—Remember that the window belongs to the dealer and that he has a great many calls on him for the use of this valuable space; that he not only relies on the window to help him meet his rent—rent being based largely on location—but, if he is up to the average standard in retailing he has a certain amount of pride in the appearance of his window as well as in the appearance of his counters inside. If the display is made up entirely from the manufacturer's point of view, it is not likely to be used.

The best display-creators of today advise smaller displays with simple, striking features that stand out well in the

window, notwithstanding the fact that they may occupy little space.

When a dealer fails to make use of display material that is really suited to his needs, it is probably because something is lacking in the selling plan which would have made him see the proper use of this material. Criticism of his indifference will not mend the situation. The plan of introducing the display material to him must be improved. He must be made to see that a good window- or inside-display is the final connecting link between the goods and the customers.

Most Dealers Want Good Displays.—A review some years ago of the principal retail stores of the country showed that a decided majority want display and counter helps from manufacturers. That a fairly large proportion of these dealers are somewhat indifferent or negligent may be true, but it has been demonstrated that the manufacturer who is aggressive and who supplies the right kind of material can get reasonable cooperation in the placing of it. Where failure comes it is usually because the manufacturer is unwilling to give enough attention to his dealer display program to insure success.

In a questionnaire conducted to learn what retail dealers think of the display material that manufacturers send, the answers showed that from one-fourth to one-third of the dealers—according to the class of stores—did not believe the material sent by manufacturers was suitable. Most of the remaining dealers were satisfied with the manufacturers' aids. The questionnaire extended over seven of the principal lines of retailing. Thus, it seems that most manufacturers have an opportunity to get the cooperation of at least half of the retail trade.

Cooperative Retail Display Effort.—A group of manufacturers have made an earnest effort, through a corporation organized for the purpose, to have a cooperative display man in each city throughout the country, charged with the duty of receiving manufacturers' material and arranging it weekly in the windows of grocery, drug, hardware and other stores. The plan is undoubtedly sound, but the difficulty has been that of getting enough manufacturers to make it feasible. Until

such a cooperative plan can be made practical, manufacturers must continue to rely on their own salesmen, their advertising departments, and the salespeople of jobbers or wholesalers coached to work with the retailer and his salespeople in this important branch of retailing.

At the time this volume is being prepared another corporation is offering a country-wide service in the installing of window-displays, but it remains to be seen whether or not this undertaking can be developed to the point where it is as efficient and more economical than the manufacturer's own effort.

A large part of the waste of display material is due to the failure of jobbers and wholesalers to take enough interest in the manufacturer's material to pass it along to the retailer.

Putting Responsibility on Salesmen.—The tremendous importance of the sales-aid that may be used in windows and on counters warrants every manufacturer devoting as much attention to this end of the selling work as he does to his general advertising. He owes it to his business to create real helps, designed carefully from the dealer's point of view and with the dealer's limitations in store help and knowledge of merchandise-display in mind. He must recognize this: that it is easy to announce a display and get a promise to put it up, but this promise may either be forgotten or put off. For this reason many manufacturers base compensation to salesmen on their efforts to obtain window- or counter-display.

An article in an issue of *Merchandising Advertising* suggests how a salesman may bring to a retailer's attention the need for displaying well known goods and cards or fixtures that exploit such goods.

The salesman for a hardware jobbing house entered the establishment of a retail customer. The merchant was in the rear of his store, talking with a clerk. That gave the salesman opportunity to "size up" the merchant's visible stock.

When the merchant approached, the salesman put on the counter a hammer the trade-mark of which was hidden from view.

"Do you know what hammer that is?" he asked the merchant.

"Sure, I know!" replied the retailer. "It's a Shank, made by the Shank Manufacturing Company. What's the joke?"

"How did you know it was a Shank?" queried the salesman.

"Why," responded the merchant, "there's no mistaking that hammer. I've seen it advertised for months in various publications. Always, there is featured this particular style of handle and this unusual head-finish. I could tell a Shank hammer a mile away!"

The salesman asked if the merchant had any in stock. Yes, they were tucked away in a big drawer beneath the counter.

"That's not a good way to sell them," commented the salesman. "If the advertising of the Shank Manufacturing Company made such an impression on your mind—was so convincing that you can readily pick out a Shank hammer without even looking at the trade-mark—don't you suppose the same appreciation has been built up in the minds of your customers?"

"And what better inducement to larger sales can you offer than to display these Shank hammers where your customers will see them—where a sight of these hammers will crystalize into action that desire to own a Shank hammer which your customers created mentally when they read the Shank Company's advertising?"

It pays to give the manufacturer's salesmen a part in the preliminary working up of a dealer-aid program so that they will understand the purpose and place of the material and be able to present it enthusiastically, rather than be in the position of having it put on their shoulders after all planning has been completed. If their only part in the program is that of urging the dealers to use the displays, the salesmen will lack a vital interest. If a sales manager can so arrange it that the salesmen themselves will ask for and decide on a suitable dealer aid, he will get much heartier cooperation in having it introduced. Often an interesting discussion of this kind can be had at a salesmen's convention.

Question of Payment for Display Space.—Though there are many instances where manufacturers have followed the plan of paying a dealer for the use of his window, or part of it, it is the general opinion in national advertising circles that it is preferable to expend money in getting up good displays and assisting the dealer to arrange them than to pay out money for space occupied. Payment of money for space is likely to establish an unfortunate precedent, whereas proceeding on the policy of giving genuine assistance is working as much in the dealer's behalf as in the manufacturer's.

Selling Displays to Dealers.—A number of manufacturers have found the best results are to be had by preparing mer-

chandising aids that become the dealer's own property but letting him have them at a part of the cost. The Victor Talking Machine Company supplies electric signs, holders for catalogues and monthly supplements and other features, on this basis. Such a plan can be worked up better, however, with a group of specialty merchants like the Victor agents than among general stores.

SOME ESSENTIALS OF GOOD DEALER AIDS

A firm planning to invest a large sum in dealer aids will do well to seek the counsel of some specialist in this particular branch of merchandising. The following points are some of the recognized essentials.

Do Not Try to Take All the Dealer's Display Space.—In periodical advertising a manufacturer may attempt to dominate by purchasing as large a space as his funds will permit, but bigness alone is a poor quality in display material. It is rude to ask for all of the dealer's available space and such a request is not likely to be heeded by him.

Large displays are not likely to be used later for counter material. They often have a striking color scheme of their own and may not harmonize with other goods when arranged with them. Many dealers may be attracted to a well planned, large display and be entirely willing to use it, but limited space prevents them from doing so. Therefore, the display of reasonable proportions stands a better chance of being used in the general run of store and, if it is carefully planned and distinctively designed, has quite as good a chance of gaining attention. An exception to the foregoing principle may be found in those cases where a large display feature is made up with panels or backgrounds that aid the dealer in displaying other goods.

Keep the Average Sized Store in Mind.—Designers of display material often make the mistake of planning for what they think the very largest type of store requires. While it may be advisable at times to prepare what may be needed for this class of trade, the main object should be that of serving the great mass of retail stores of the given line rather than the few

leaders. The great Chicago store of Marshall Field Company may decline to use something that the small merchant would welcome. Marshall Field Company has its own expert display department, while the general retailer has this work done by his salespeople or undertakes to do it himself.

Let Displays or Packages Give the Principal Argument.—Manufacturers are prone to find fault with retailers because their salespeople cannot or do not give detailed reasons or arguments in their descriptions of goods to customers. But a store such as a drug store or hardware store, carrying thousands of articles, is not a line of business where the person of average mind can remember all of the arguments for every type of goods. It is the manufacturer's business to give emphasis to the particular point or points and thus make it easy both for the customer and the salesman to absorb this information and for the latter to back up the manufacturer's argument.

An instance of how a manufacturer can prepare merchandise in such a way that its chief point is instantly apparent to the salesperson as well as to the customer, is found in the experience of a hosiery manufacturer. Instead of selling certain goods as "seconds," he has established a special brand of hosiery, plainly marked the "Bargain Brand." The label explains that the hose is that of a high-grade manufacturer but originally had very slight defects which have been neatly mended. The entire story is told so plainly and logically in connection with a good brand name that selling is greatly facilitated.

Longer Life for Displays That Stand Steadily.—All window-displays and counter-displays should, if possible, be arranged so that they stand easily by themselves and will not topple over when exposed to a sudden draft or the breeze from an electric fan. The display that is forever falling down and displacing other goods will not remain in sight long.

Usefulness of 3-panel Style of Display.—The 3-panel display (see Exhibits 174 and 176) is the most popular of all shapes and is well suited to the needs of many products, besides being very easily placed. While it may be the best style to adopt, there are so many displays of this style that it

will pay the manufacturer to see if something distinctive can be created. As indicated by Exhibit 175, the Joseph Feiss Company, after preparing a fine display, regards it as being well worth while to explain its value to the trade.

Transparencies.—While a great many transparent signs have been employed successfully by manufacturers as features for the windows and doors of retail merchants, there is a

Husband: "Guess what it cost?"
 Wife: "---- It looks splendidly. I guess \$4500."
 Husband: "Only \$2700---it's a CLOTHCRAFT suit."
 Goodwife: "That's more like old times."

PAIN REASONING

☐ You may wonder how such good-looking, long wearing suits may be bought for so little money.

☐ The answer is a very simple one.

☐ The folks who make these suits operate the largest single clothing plant in the world—they have been making men's clothes for 76 years.

CLOTHCRAFT 'S130' SERGE is their leader—a maker of friends and customers.

☐ It is our leader, too! Only \$2700.

FIRST IMPRESSIONS

☐ Check back on your own experiences and you will recall many occasions in business and social life when a becoming serge suit would have been cheap to you at any price.

☐ No man should be without a serge suit!

CLOTHCRAFT 'S130' SERGE at \$2700 (Blue, Brown or Gray) is a real investment.

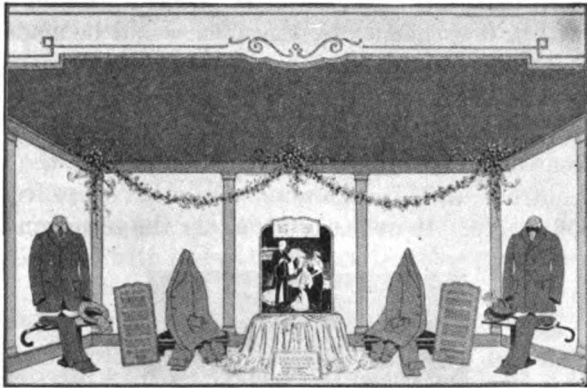
☐ It is the suit worth while—with no strain on your pocket-book.

(Courtesy of Carl Percy, New York.)

EXHIBIT 174.—A 3-panel window feature sent out by the Joseph & Feiss Company of Cleveland, Ohio. The side panels were 10 by 23 inches, the center panel 20 by 28 inches. The job was a lithographed one, executed in seven colors, mounted on heavy board.

disposition on the part of many dealers to avoid cluttering up their windows and doors with a multiplicity of signs, trademarks, etc., unless the transparent sign is something of a truly distinctive nature.

The Coca Cola Company has given this problem a great deal of thought and has worked out a scheme of providing strips that run entirely across the tops of drug-store windows—that is, strips featuring such words as "Drugs," etc., with Coca Cola as a central feature. By careful analysis of the drug-store windows of the country, the Coca Cola Company



A serge display that is more than an order taker---it's a salesman.

Anybody can put serge suits in the window and sell to men who have already made up their minds to buy

But!

To devise a display that will sell suits to disinterested men is a horse of another color. Here is such a display. Let us tell you why.

Before we created this idea we dug for the facts.

Dramatic, close-up, story-telling pictures when accompanied by text in dialogue to make the characters actually speak, we found to accomplish the trick of directing people's thought quickly to the meat of the story. This is the experience of old-time magazine illustrators and editors whose sole occupation is to draw people's attention and hold it. Hence the central unit of our display.

Next we sought to classify the mental processes that prompt decisions to buy or not to buy.

Under Vanity

1. Pride in one's appearance.
2. Opinion of others.
3. Establishment of business prosperity and social position.

Under Money

1. Economy which permits the purchase of other articles with money saved on a suit.
2. Saving because it is absolutely essential.
3. Proof of capacity of maker to deliver long service and good value for a popular price.
4. Business value of prosperous appearance.

Under Family

1. Wife's approval.
2. Fairness to others who need to be clothed and fed.
3. Again, vanity as applied to social standing.

This display sells your prospect on all of these points—it anticipates the prospect's thoughts and meets them.

We tell you all of this to show you how thoroughly we have gone about the creating of this display in order that you may get a big and quick turnover on your serge suits.

More splendid window displays are coming to you immediately so be sure to use this as suggested in the photograph above on the week of September 9th.

THE JOSEPH & FEISS CO

EXHIBIT 175.—Layout sent to dealer trade by The Joseph & Feiss Company, suggesting appropriate arrangement of display-cards and posters, along with clothing, hats, cane, etc.

The explanation below the layout indicates the care taken by manufacturers to show why certain merchandising aids are produced and to heighten the dealer's appreciation of thoughtful advertising.

was able to make up a few styles of these Coca Cola strips, which, with a few changes by salesmen, could be made to fit almost any window. These signs look almost as well as specially painted ones.

The Alpha Portland Cement Company was able to get transparent signs put up, because along with the *Alpha Cement* central feature went a number of other strips featuring lime, roofing, etc. It was easy for either the salesman or the



EXHIBIT 176.—Example of 3-panel Multiplex fixture. This fixture folds up and is easily shipped. Different cards or posters can be inserted.

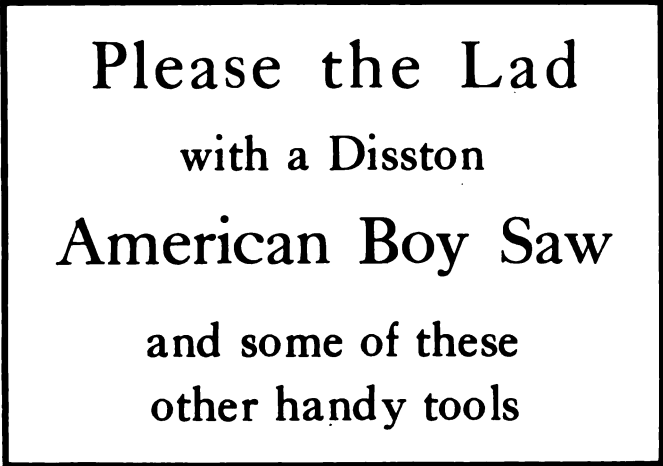
dealer to make up a sign featuring a number of the different products that the dealer handled.

Everyone knows that intended purchases are often forgotten. Therefore, if a manufacturer worked out a nice-looking transparent sign with such a reminder as "What have you forgotten?" he could easily append some suggestion about his own goods and get the sign used generally by the retail trade.

Hangers and Posters.—A mere hanger is likely to be hung on the most available nail or corner and may blow down and get into the waste-basket or, what is more likely, be covered up by the next hanger received, unless some precaution is taken, such as having the salesmen take care of the placing of the hangers. One manufacturer has gone so far as to supply a set of thumb-tacks with each small poster, so as to increase chances of posting. In general, retailers prefer stiff cards that will stand with some support rather than posters on light paper.

Street-car Cards as Store-displays.—While many manufacturers use extra runs of street-car cards for counter or window-cards, the size of these is not the most appropriate for store-display; besides, the copy on the card itself is not usually the best kind of message to be shown inside a window or a store.

Utility of Good Show-cards.—Good show-cards are always welcomed by retailers, especially if they are so written as to



Please the Lad
with a Disston
American Boy Saw
and some of these
other handy tools

EXHIBIT 177.—A display-card that can be used to exploit related merchandise.

help the window-displays or the inside display generally. If they are prepared altogether from the manufacturer's point of view they will not be popular. By giving such work careful study, it is usually found possible to have a card incorporate

a reference to the manufacturer's product while at the same time being generally useful to retailers. Exhibit 177 is a rough suggestion. Such a card should be so designed that it can be arranged, with one of the saws, to stand up in a window. A few general cards similar to the one in Exhibit 178 may well be included by the manufacturer in his year's series.

**If it's not
in sight
It may be
inside--
Come in!**

(Courtesy of Good Hardware.)

EXHIBIT 178.—Type of window-card used by enterprising retailers to excite favorable comment and draw prospective customers inside. Some manufacturers win the favor of retail dealers by furnishing attractive cards of this style as a part of their series. Many retailers make such cards for themselves.

Double-purpose Displays.—Many window-displays are planned so that they may be used inside of the store later.

Need for Good Typographical Display.—Advertising matter on displays must of necessity be concise and so displayed that it may be read almost at a glance. Many manufacturers make the mistake of trying to give as much information on this kind of material as they do on a magazine page. Of course, if the counter fixture holds a number of packages of goods or a model package, there is opportunity on the package to give

details that can be read at short range. The main argument or selling point should be the principal display, however.

The United States Rubber Company supplies shoe dealers with neat window-pasters containing the following wording:

Come in and get your U. S. Rubbers

Such a sign is more than likely to be well placed on rainy days.

Name and Slogan Contests.—A dealer's window is an excellent place to feature a name or a slogan contest. It is also a good place in which to emphasize some particular feature of a national advertising campaign, worked out, of course, from the point of view of the retail store.

Time Displays Will Remain in Windows.—From one week to two weeks is about as long as a display will remain in a dealer's window. Unusually strong ideas may be kept in use from three to four weeks. Dealers are human enough to be partial to the unusually good display. The window device worked out by the manufacturers of Dri-Foot—a waterproofing compound—attracted unusual attention because it revolved shoes, dipping them into water, thus proving the waterproofing qualities of the preparation. This display sold two or three times as much as any other form of advertising and consequently it remained in the windows longer than ordinary displays. The effect is better in such cases, however, if a display is taken out after a run of a week or so and later put back for a further showing.

Fixtures That Help the Merchant to Make Related Sales.—The thoughtful retailer is partial to fixtures and plans that aid him in making related sales. Exhibit 179 is such a display. This attractive display feature was sent out to the trade by the Columbia Chemical Works, makers of Parsons' Household Ammonia. The dominating feature of the display was a huge cardboard bottle of Parsons' Ammonia, but there was ample room around the Parsons' product for displaying other kinds of cleaning preparations. Small cards sent with this display contained such texts as "Need any bluing, soap, soap-flakes or Parsons' Ammonia?" "For cleaning, we sell

brooms, mops, pails, scrub-brushes Parsons' Household Ammonia," etc.

This display was not sent out merely on the chance that the grocer would appreciate its value and use it voluntarily. It was delivered by a crew that aided the dealer in arranging the display in his window.

Reviews of selling experiences show that dealers sometimes are able to double or treble their sales by making a real



EXHIBIT 179.—Good example of window-display that makes it easy for the dealer to exploit related products. The idea of displaying related products is such a sound one that the manufacturer of Parsons' Household Ammonia, the central article of display, has been able to place more than 10,000 of these display outfits among dealers.

effort for related sales. In a Middle Western city, for example, a clothier found that purchases at his collar and cravat section averaged as low as 30 cents. A study of the situation resulted in his installing near this section a line of cigarette holders retailing from 50 cents to \$1, also safety razors and silver-plated pencils. Having made this rearrangement, the merchant called a conference of his helpers and impressed on

them the importance of working for a higher average of sale without at the same time annoying any customer. In a week the average sale had jumped to around \$1. Suggestions were made by the salesmen such as "Here's a cigarette holder that would harmonize nicely with this cravat."

The salesmen used the silver-plated pencils themselves and contrived often to call attention to them.

Drug stores have found that a very effective way of increasing the sales of shaving cream, talcum powder, extra blades for safety razors, etc., is to exhibit these goods near the cigar counter. The cigar counter draws trade of itself and requires little advertising, but the customer is likely to come in for his cigar, cigarettes or bag of smoking tobacco and not recall his need for other supplies unless these are adroitly brought to his attention. One drug store that featured its shaving supplies adjoining the tobacco counter found that these goods were soon near the top of the list of best sellers.

A unique feature of one drug store is a lens so placed in the department where books and magazines are displayed that a magazine on the wall can be read through it. A glance through the lens, which is adjustable, shows how reading glasses will increase one's pleasure in reading. An optometrist, engaged on a salary basis, has his desk in this end of the store. It is stated that this arrangement develops business not only for the optometrist but also increases the sale of books and magazines.

One business writer in describing this method of selling terms it "The Knack of Selling Affinities" in merchandise. A study of the principle shows great variations and a real method of decreasing the bugbear of much merchandising—overhead expense.

Devices That May Be Displayed Well with Goods.—Fixtures and devices that are very useful to a retailer are those which may be displayed easily with the goods. Examples:

1. Cut-out figure of attractive cook which may be placed alongside a stove and shown holding a saucepan, can of a food product, etc.

2. Cardboard head and shoulders of jolly youngster to be slipped into a suit of juvenile overalls.

3. Models of feet and legs on which hosiery, garters, etc., may be shown.

4. Miniature scenes such as those of a gardener in an attractive little garden using the hand-plow, or whatever else the advertiser is exploiting. The retailer is especially partial to scenes of this kind that, in addition to exploiting the product of one manufacturer, also serve to call attention to allied goods.

VALUE OF HOUSE ORGAN IN EXPLOITING DEALER AIDS

The house organ, or company magazine, is, strictly speaking, a feature of advertising rather than of sales work. Nevertheless, such publications play a very important part in the promoting of sales plans, particularly where the publication is one addressed directly to the retail trade. Many house organs go only to a mailing list of retailers. Some are so edited that they appeal to various groups, such as consumers, mechanics, or other groups, as well as to the retail trade.

As an illustration of what a good publication may accomplish with the retail trade, the following is cited from the experience of the White & Wyckoff Manufacturing Company, makers of distinctive business stationery. This concern publishes a magazine known as the *White & Wyckoff Viewpoint*. The circulation of this little magazine is 45,000, and the mailing list includes wholesalers and retailers, the latter group comprising not only stationery stores, but department stores, drug stores, and others that may handle stationery. There is also a foreign circulation of 1,000 copies.

An issue of the *Viewpoint* circulated some months prior to the publication of this Handbook, drew more than a thousand replies, which included requests for more information about the sales helps of the White & Wyckoff Manufacturing Company, and asked for names of distributors.

In featuring sales aids in house organs, it is desirable to do as editors of large magazines do—that is, give special prominence to some feature on which the trade is expected to take action. This may be accomplished by a double spread, by color treatment, or by inserting some newsy or important feature as a

supplement to the publication. The front cover may also be used to draw particular attention to such a feature.

COUNTER CABINETS AND CASES

Particularly in the sale of small merchandise is the counter cabinet or case a valuable aid. It may serve two purposes:



EXHIBIT 180-a.—Front view of counter container for Champion Spark Plugs.

1. Putting the merchandise right where the customer can see it, and
2. Enabling the retailer to check up on his stock readily.

A feature of the case indicated by Exhibits 180-a and -b is an index chart that enables the salesman and the customer to

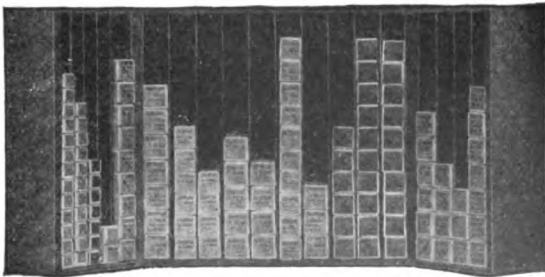


EXHIBIT 180-b.—Rear view of the Champion Spark Plug counter container.

select, without possibility of error, the plug required for each make of automobile. Each partition in this "Champion Merchandiser" contains ten spark plugs. All packages are plainly marked to correspond with the index chart. The Champion Spark Plug Company says:

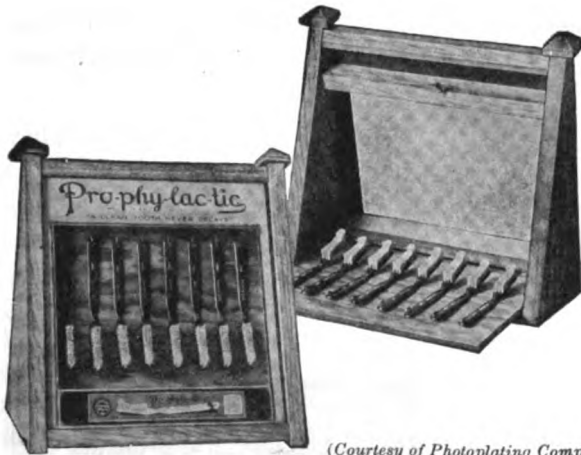
The dealer secures a Merchandiser (the apt name for this container) when he orders any one of five assortments from his jobber. We are notified by the jobber and ship the Merchandiser direct to the dealer, the jobber forwarding the plugs from his stock. These Merchandisers are lent to dealers only so long as they sell our plugs. That enables us to exercise control over their use. Dealers cannot sell another brand in our cabinet. If the Merchandiser is not being displayed so well as we think it should be, mention of the return privilege generally puts it where it belongs.



EXHIBIT 181.—Handy combination display fixture and container from the Photoplate Company. The mirror in this case is particularly appropriate to the product—hair nets.

Referring to the "Champion Merchandiser," E. B. Weiss says, in an article in *Printers' Ink Monthly*:

Counter-display cabinets are smoothing the sales paths of products ranging anywhere from spark plugs to hair nets. Manufacturers are finding these counter fixtures helpful in solving such problems as getting retailers to stock a fairly representative assortment of the line, preventing holes in retail inventories, speeding up turnover, keeping the merchandise in good condition, maintaining orderly



(Courtesy of Photoplating Company.)

EXHIBIT 182.—A counter fixture that shows specimens of merchandise attractively under glass but permits easy removal.



EXHIBIT 183.—Seeds are here attractively displayed in glass jars, free from dust and deteriorating influences. The measuring glasses have a good effect on the purchaser or prospective purchaser, because they indicate that the full quantity is measured out for each purchase.

stock rotation, so that stale goods will be reduced to a minimum, securing better display, tying up with the advertising, and so on, almost without limit.

Exhibits 181 to 184 are self-explanatory. They indicate to what lengths many producers are going nowadays to insure that their goods will be properly exploited in retail stores.



EXHIBIT 184.—A common but nevertheless effective merchandise container. The top of the box, when open, shows how the article is used. This container is handy and compact.

ADDITIONAL IDEAS AND PLANS

Demonstration Car as an Aid to Dealers.—The “Dealers’ Demonstration Car” was adopted by the A. C. Gilbert Company as a vehicle for introducing the Gilbert Company’s “real toys for real boys.”

A railroad coach was prepared to look as if it were part of a circus, being painted a brilliant yellow and red on the sides, and green on the roof. On the roof were two folding flagpoles with wireless antennae attached and strung between were gay flags and bunting. Inside on sloping shelves was the exhibit, which included all kinds of mechanical, technical and scientific devices. The array was attractively displayed. Those coming

to inspect the wares were entertained by wireless concerts, amplified so as to be heard throughout the car.

Before the Gilbert car arrives in a town the local dealers receive an announcement telling them that their community is on the itinerary laid out for the exhibit and that they will have the benefit of cooperative advertising and demonstration. The plan is to admit the public only by tickets, which are to be secured from the dealers; thus the dealers have ample opportunity to gage interest and to see the benefit of special efforts. During the time the car is present in a city, dealers have large signs in color in their windows, telling about the event.

Visitors to the Gilbert car cannot buy the articles shown but receive a list of dealers who can supply their needs. Through this exhibit, dealers get a better idea of what they ought to put into their stock and they get much friendly help from the Gilbert Company's representatives.

(Summarized from *Printers' Ink Monthly*, June, 1922.)

Putting a Price on Aids to Increase Appreciation.—The Westinghouse Lamp Company prefers not to ask its dealers to pay for display material, but recognizes the necessity of some method that will bring sharply to the dealer's attention the cost of such aids and the waste that comes about if these aids are not used. Hence, in sending out an announcement about helps, the helps are listed in columns with a price at the right. For example:

Window-display.....	\$1.75 each
Display-card (straight side lamp).....	.15 each
Lamp-holder (three lamps).....	.15 each

Having thus brought this matter impressively to the attention of the dealer, the Westinghouse Lamp Company explains that the helps that are supplied will cost the dealer nothing—that the figures are used merely to indicate values.

There are several good effects on the dealer, one of which is that if he has been inclined to order much larger quantities of material than he could possibly use, he sees the cost of the waste and is influenced to make his requisitions more reasonable.

Cooperative Exhibit of Electrical Companies.—A number of electrical companies, including the General Electric Company, cooperated in making up a very educational exhibit on the merchandising of electrical devices and material. The exhibit was of such a character that it could be moved from one community to another. Its chief feature was a revolving stage divided into sections that portrayed different scenes—factory, store, etc. It was necessary to make a number of the features in miniature size so that these scenes could be made realistic. The range of the material of this exhibit covered lighting, motors, reflectors and various other kinds of equipment.

In scheduling this exhibit, provision was made for devoting one day in each community to the retail dealers and another day to the electrical jobbers. The plan included the mapping out of a route, notifying dealers and jobbers, securing a convenient location for the exhibit and following up, over the telephone and through special letters, to insure good attendance.

'Armour's Better Business Bulletins.—The well known firm of Armour & Company, which numbers its customers in the hundreds of thousands, has made successful use of a series of Better Business Bulletins which are sent out every other week. These bulletins cover almost all of the various phases of a retail dealer's work. Such subjects as store lighting receive attention as well as the more familiar subjects of retail salesmanship, newsy advertising, use of mailing lists, etc. An effort is made through these bulletins to raise the entire standard of storekeeping.

Naturally, the Armour Company uses these bulletins to exploit information about its own products. The bulletins suggest every month seasonable articles to which the merchant can profitably give his attention. These are usually products that the Armour Company is exploiting in its publicity campaign the same month.

This work through the mail is supplemented by service men sent out by Armour & Company to aid the dealer in arranging window- and interior-displays and to advise tactfully about the running of his business. As these men do not attempt to

sell goods, their services are received with more confidence than salesmen are usually able to command.

Finch Merchants' Club.—Somewhat similar to the Armour plan described in the foregoing paragraphs is the system of the Finch Merchants' Club of St. Paul, Minn. This club was organized by a dry-goods jobber for the purpose of distributing helpful, educational material among dry-goods merchants without any profit to the jobber himself. The service consists of a series of articles mailed monthly, dealing with the problems of retail merchants. All material is supplied to fit a loose-leaf binder, and each piece is numbered so that if a merchant fails to receive a copy he can easily identify the missing number and write for it. A reasonable subscription fee is charged for the service, which about covers the cost of paper, printing and mailing.

How the Coleman Lamp Company Gets Displays.—The Coleman Lamp Company is fortunate in securing various kinds of displays from its dealers because of the fact that the Coleman lamps themselves aid a merchant in arranging other displays. The company is vigilant to secure good photographic views and to use these views in its trade bulletins or as supplements to letters to show how effective lamp displays can be installed. The Coleman Lamp Company classifies its displays as follows:

1. Exclusive "Coleman Quick-Lite windows" for which the manufacturer furnishes a whirling display wheel. This attracts attention because of the whirling motion. Cards and felt banners also enter into this display.

From time to time the merchant receives attractive illustrations of how other retailers of Coleman lamps arrange special "Quick-Lite" displays, and he is encouraged to sell the lamps he has on hand by "showing them lighted in the window."

2. Center-aisle table displays. The trade is constantly reminded of the fact that displays out in the middle of the store where people can see them are those that count. It has been found that the prospective customer likes to handle a lamp before deciding about a purchase. The aisle display facilitates

this and also gives a good opportunity for the lamp to show its lighting power.

3. Lighting up displays of other merchandise with Coleman lamps. Exhibit 185 is typical of the photographs the Coleman Lamp Company sends out to show the merchant how Coleman lamps will aid greatly in arranging a bright, attractive window. A good light adds to the brilliance and clean look of many different kinds of merchandise.

4. Counter-displays of Coleman Lamps. The counter-display has been found the easiest to get from the merchant because it calls for the least effort. As putting merchandise on counters aids greatly in selling, the merchant is not dis-



EXHIBIT 185.—Specimen of the photographs that the Coleman Lamp Company sends out to its dealers, showing how Coleman Lamps aid in producing bright, attractive window-displays not only of Coleman Lamps but of other merchandise as well.

couraged from this method but the method is such a commonplace one that the Coleman Lamp Company gives its attention to other types of displays.

5. Tying up Coleman lamp displays with Coleman national advertising. Bulletins are sent out to the trade suggesting the tie-up of the merchandise and the window-display with a good description taken from the national advertising campaign. The photograph showing how this may be effectively

done is usually taken from the window of some dealer who has pasted up or framed an impressive magazine advertisement of the Coleman Lamp Company. This exhibit, whether pasted on the window or shown in a frame, is placed close to a group of the lamps.

6. Lighting other departments with Coleman Lamps. Photographic illustrations of this kind appeal to the merchant because they show how the Coleman product can be used as an aid to other displays. It cannot be stated too often that the type of suggestion likely to receive most attention from the retailers is that which aids him in a good general display rather than one which seeks to exploit a single product.

7. Many retailers are prevailed upon to have booths at local fairs, exhibitions, etc. They are receptive to helpful suggestions from manufacturers as to the arrangement of such booths. The Coleman Lamp Company responds to this need by sending a number of photographs of successful county fair and exposition displays in which the Coleman lamp played a part.

Policy of National Biscuit Company.—Though the National Biscuit Company does not neglect service aids to the dealer sent out through the mail, it puts stress on the work of its salesmen among the dealers. The salesmen are required to make definite service calls and to see to it that advertising material is properly distributed, windows are appropriately trimmed and that other practical suggestions are made to the dealer in order that the National Biscuit Company's goods may appear before the public in clean, fresh condition. It is the plan of the National Biscuit Company to see that its goods are well arranged on a special display rack, and this rack naturally receives the careful attention of the National Biscuit Company salesmen. The salesmen are instructed to use their time in helping the merchant to sell goods whenever extra help is expedient. The salesmen of this organization also aid in various demonstrations that are ordinarily conducted on Saturday afternoons.

Chevrolet Motor Company Lectures for Dealers and Users.—The Chevrolet Motor Company has found a lecture course a great aid to its dealers, to purchasers and to prospective

purchasers. These lectures, conducted at local sales offices, deal with such definite subjects as storage batteries, carbureters, lubrication, ignition, etc. Following each talk the meeting is thrown open to discussion, and the owners of cars ask the questions that are most interesting to them. The plan is to give the lectures one evening a week and to confine them to half a dozen evenings. Those attending can secure a copy of the lecture if they are interested in having it.

Educational Work to Increase the Sale of Raisins.—The experience of the Sun Maid Raisin Growers affords another illustration of how far manufacturers must sometimes go in order to stimulate dealers to sell a product. A salesman for this organization went into a Southern community with his usual supply of dealer helps, but found little demand for raisins. On inquiring he learned that it was the general opinion of the housekeepers of that section that raisins would not keep well in warm weather. The salesman urged the retailer to suggest, through his advertising and in conversation with customers, that keeping raisins in a refrigerator would prevent any loss.

In another instance where the raisin-growers' salesman was confronted with the argument that there was no demand for raisins, the bakers were interviewed and induced to offer raisin bread and raisin pie. This had a helpful effect not only among the bakers but among restaurants, grocers and housekeepers.

Two Months' Sales, Ten Months' Service.—A well known Western machinery concern finds it comparatively easy to load up dealers with its machinery with two months of active selling. This concern has, therefore, adopted the policy of using the other ten months of the year to give service to dealers and machinery-users. The men of this organization get around to see dealers every two or three months and go out with them, not only to aid in making sales but to aid buyers of the machinery who have had difficulties of any kind. The result is very close cooperation between the manufacturer and the dealer.

Dealer Confidence Commanded by Questionnaire.—A large clothing manufacturer of Chicago succeeded in commanding

the interest and the cooperation of his dealers to a large degree by attempting to learn, before dealer aids were made up, just what different groups of dealers found to be the most helpful aids and what they really desired to use. A list of the various kinds of well known selling helps was made up for the dealer to check. In this way it was learned whether or not he was interested in wrapping paper and envelops that carried advertisements or whether he preferred booklets or slips that could be enclosed with packages. The dealer's attitude toward letterheads carrying advertisements, mailing-lists, etc. was ascertained. Such definite questions as the following were put to the dealer.

Is the retail mail-order business a problem in your section? Have you been able to combat the problem? If so, please tell us how.

Do you believe in advertising nationally advertised clothes over your own name, or do you prefer advertising your own store and clothing under your own name?

If a number of full-sized posters, beautifully colored, were furnished you, free of charge, would you see that these posters were placed on billboards and pay the billboard charges?

Are you in favor of sending style books to the consumer? Do you think it advisable to have one style book that would include both the men's and boys' clothing, or do you think it would be better to have different style books—one showing boys' clothing and the other showing young men's clothing?

If we were to issue style booklets and envelops free and take care of the mailing free of charge, would you be willing to pay the postage charges of one cent on each mailing, and furnish us a mailing list?

In your opinion, why do men favor and buy certain brands of clothing?

Why do mothers and boys buy certain brands of clothing?

From your own experience, have you found animated movie-film advertising effective? Assuming that we are to prepare an interesting movie film that would vitally interest the trade in your store, would you be willing to pay not more than \$7.50 toward the cost of the film?

Altogether this questionnaire put from twenty to twenty-five questions before the retailer. While the published account of this experience indicates that the results were successful, it is doubtful that good results will usually follow such a long list of questions. Keeping the questions down to a minimum and supplying a blank after each question gives the dealer a means

of forwarding his views with little writing. A long questionnaire suggests a tedious job and is likely to be put aside for "future attention."

(Summarized from *Printers' Ink Monthly*, April, 1920.)

Kuppenheimer and Company Coordinates Local and National Advertising.—The Kuppenheimer clothing concern is an example of a number of well known manufacturers who attempt to bring about coordination of the dealer's local advertising with the manufacturer's national campaign. The Kuppenheimer people offer to cooperate with the dealer in scheduling local advertising to come out over the dealer's name just when impressive advertising is appearing in nationally distributed mediums.

The conditions on which local advertising is inserted vary greatly. Many of the leading manufacturers will do nothing with respect to local advertising except to furnish the dealers with good plates. In other cases manufacturers pay for some part of the local advertising space, whether that be newspaper or billboard space or some other form. Occasionally, paying the whole or part of the cost of space is adopted as a means of breaking into new territory. Sometimes it happens that the manufacturer is using nothing in the way of nationally distributed mediums, but is employing local newspapers and other forms of local mediums throughout the country—thus having a national campaign by knitting together his local advertising campaigns. When this is the situation the manufacturer is usually willing to pay the entire cost of newspaper space, appending the dealer's name to the advertisements, provided certain cooperation is assured by the dealer.

A still further variation is that of the manufacturer running his campaign without including dealers' names in his advertisements and suggesting to the dealer that he run a small advertisement adjoining all of the manufacturer's advertisements, exploiting himself as the local selling agent for the product.

The cooperation of local newspaper publishers is often sought in working up arrangements of this kind. Sometimes the solicitors of these organizations are in a better position to get the dealer's cooperation than is the manufacturer.

Blanks for Mailing-lists.—A number of manufacturing and jobbing organizations, instead of depending on the dealer himself to cover a mailing-list (a dealer often lacks facilities and time to do it properly) send a special blank to the dealer calling for 100, 200, 250, 500 or possibly 1,000 names and addresses of customers and prospective customers. The proposal usually is that the manufacturer asking for the list will send out certain letters or printed matter to the names if the dealer will merely furnish a selected list legibly written. Often, however, the dealer is asked to pay the cost of the postage. The cost of the printed matter furnished by the manufacturer is frequently five to fifteen times the cost of the postage.

A variation of this plan is to get the dealer to send a quantity of his own letterheads to the jobber or manufacturer who is prepared to send out on these letterheads some special type of appeal. In order to have the postmark identified with the dealer, many firms stamp, or address and fold the solicitations, shipping them back in bulk to the dealer, who mails them at his local post office. Some organizations, however, do not think it worth while to do this but mail the material from their own, instead of the dealer's, post office.

A Mailing-list That Is a Live Index.—A large number of manufacturers aid their dealers in the compiling of mailing-lists that can be used to mutual advantage. While the preparation and use of mailing-lists is more particularly a branch of advertising than of personal salesmanship, a brief outline of one distinctive plan of this kind is in order. Exhibit 186 is a reproduction of a mailing-list form used by the International Harvester Company. Usually, manufacturers call on local dealers to make up mailing-lists, realizing that the dealer with his local acquaintanceship is in a position to do this work more efficiently than is the manufacturer. In this case the manufacturer, through his local branch representatives, is able to make out a list of representative farmers within the territory of each dealer. When the list comes to the dealer, all he has to do is to check, in the columns on the right-hand side of the form, the machinery or equipment for which each farmer named is a prospective purchaser. This takes only a few minutes. In doing some of the checking the dealer can be

bears the dealer's imprint. This small number of circulars is for the dealer's own use, a copy having been mailed direct to each name by the manufacturer. The dealer is urged to cooperate with the International Harvester Company, and definite suggestions are made to him. For example, when a booklet about the International Harvester Company's cream separator was sent out, the dealer, in addition to the notification already referred to, was coached to insert in his local paper several appropriate newspaper advertisements dealing with this cream separator. The letter making this suggestion to the dealer was so arranged that a blank form at the end of the sheet could be detached easily by the dealer. This form was a request of the manufacturer to send on the electrotypes and provided space for the numbers of the electrotypes that the dealer preferred to use. All he had to do was to fill in these numbers, sign his name, and mail the letter.

A little later in the campaign when the dealer was being notified of another mailing to his prospective purchasers' list, the manufacturer sent the dealer an attractive poster and asked that it be properly placed in his store. At the same time an attractive enclosure slip for the daily mail was offered. None of these things, however, are sent to the dealer unless he specifically asks for them and in so doing obligates himself to attend to mailing or posting.

(Summarized from *Printers' Ink Monthly*, March, 1923.)

SECTION XXI

WHAT A SALESMAN SHOULD KNOW ABOUT CREDIT

It is a common saying that the sale is made only when the name is on the dotted line. It is more practical to say that a sale is a sale only when the seller has his money for the article.

Business must, of necessity, be done largely on credit. And no man can be a good salesman for most enterprises if he does not understand the fundamentals of credit. Unfortunately it is too often the case that the salesman feels that the requirements of the credit department and the cooperation expected from him are obstacles to his "real work"—that of selling. He is timid about urging payment from the customers to whom he sells. He cannot see why the home office is not a little more lenient, why it is in such a hurry to collect its money, why it writes letters that irritate the customer, and so on.

Function of the Credit Department.—Norval A. Hawkins, in a Bulletin of the National Association of Credit Men, thus defines the place of the credit man:

The function of the credit man is to establish sound relations with his firm by coordinating departments and getting executives and employes to think his way, and he must know how to handle customers. He must be able to explain why his judgment prompted him to take chances in some instances.

A credit man who has gotten the salesmen to think with him has them trained so that they will not take orders from merchants about whom there is doubt as to intention and ability to pay. He will be quite ready to risk collection from a buyer who has been sold on this basis.

How to Eliminate Misunderstanding between Credit Department and Salesmen.—Probably much of the misunderstanding between credit departments and sales forces could be eliminated by a frank discussion of the situation at the outset

of the salesman's employment. It is not always easy for the salesman to look at accounts as the credit man does. Nor is it natural, on the other hand, for the credit man to see sales just as the salesman does. As Richard Walsh expresses it, in an article in *Printers' Ink*:

Credit managership involves salesmanship, otherwise a house loses its best customers and nurtures the salesman's dislike of the credit man.

The credit man becomes one-sided in vision, because he sees only the unpleasant side of business. His mind is warped by his constant dealing with the dishonest and the failures; he is occupied only with unpaid or tardily paid accounts. His mind is not open to tales of the problems behind the dealers' unpaid bills. But if the salesman can create the desire to buy, so the credit man can induce the desire to pay, and the principle involved is salesmanship.

Credit Departments Want Facts, Not General Assurances.—Credit departments are not usually satisfied with mere assurances from salesmen that a certain customer is "gilt-edged," "a man of good standing in the community," and so on. They expect to have specific information, such as whether property is in the man's own name or the name of his wife.

The credit department of the Liquid Carbonic Company, of Chicago, extends this invitation to its field representatives:

When writing a credit report, don't try to sell the order to the credit department. Give the facts as you know them to exist. You will benefit yourself and the company by so doing. As to the credit department, a salesman's reputation depends on the reports he makes, rated from the standpoint of good judgment, accuracy, honesty and completeness. If you have a reputation for dependability with the credit department, it will help you a lot when you want quick action.

You will get complaints from customers. This will always be the case as long as the ordinary business transaction must pass through many human hands and be subject to many contingencies before it is completed. You will receive complaints that are justified by the facts. You will get others, the basis for which is much magnified, and still others which will be found to have no basis at all.

The important thing is to get the facts on a complaint before you sympathize with the customer and damn the house, or vice versa. Your customer's good-will is all important to you. To be of lasting benefit, it should be founded on his respect for you, for your house and the goods and service your house can give him. You will help gain respect for all

three, if you show by your attitude that it takes real evidence to convince you that your company is in the wrong. In other words, that you are the loyal representative of an organization in which you have confidence. If, on the other hand, at the first word of complaint, you show eager willingness to admit the probability of the house being at fault, you lessen the customer's regard for you and your organization and, at the same time, encourage him to enlarge his complaint and increase his claim. Get the facts, check them up and report them completely to your branch office, with a recommendation as to the action that should be taken. While you are about it, get the complete information, so that the remedy, if one exists, may be promptly applied.

Never hesitate to offer criticism when you think it is justified. But always remember that to be useful or to get results, criticism must be conservative, illustrated by specific cases and presented without rancor or descriptive adjectives. General criticisms, loaded with superlatives and uncomplimentary terms without direct application, rarely accomplish results. Everything that happens in your territory has a direct bearing on your net earnings. Watch all sides and you will profit thereby.

(Published originally by the Dartnell Corporation.)

R. M. Dulin, credit manager of the Gates Rubber Company, Denver, Col., writing in the *Business Magazine* about the value of a salesman's report on customers, holds that today the credit department ought to have new data at least once in every six months in order to be well informed on its accounts. The policy of the Gates Rubber Company is that a salesman is primarily responsible for the condition of accounts in his territory and he cannot evade the responsibility. The procedure for getting information is indicated by the following paragraphs.

1. A thorough personal investigation by the salesman. This investigation should be complete and will necessarily vary in method of approach. Here, we shall have to rely on the salesman's alertness, ingenuity, and resourcefulness, guided in every necessary respect by the district manager or division credit manager.

2. A new report from the bank.

3. A reinvestigation of the experience of other concerns that are selling the dealer.

The Gates Rubber Company also uses a form for the convenience of its salesmen. This form is reproduced in Exhibit 187.

Salesman's Credit Report on New Dealers

This report must be sent in with every order from a new dealer.
Send property statement with it.

The completeness and accuracy of your report, and the data obtained, may determine the success of our relationship with the dealer. Therefore, *do your part thoughtfully and carefully.*

The effect will be a service to the dealer and bigger sales for you.

The object of collecting information is not merely to protect the company from loss but to enable us to ship goods where we would not be able to ship them without the information, and to justify us in approving bigger shipments than would otherwise be possible.

1. State source of capital invested in business, whether result of savings, borrowed, or otherwise.....
2. If the Gates Rubber Company were your business, how much would you discount figures given on property statement to arrive at an accurate judgment of dealer's net worth?.....
3. Does dealer keep bookkeeping records that, in your judgment, enable him to know the essential facts about his business progress?..... Does his system provide for regular inventories?..... When?.....
4. Are the fixtures and machinery adequate for the business? Comment on their worth.....
5. Is the building rented or owned?.....
6. Comment on suitability of building to this business, and on the desirability of its location.....
7. How strong is competition and how does it affect this dealer's chances for success?.....
8. What is your opinion as to local conditions of business as they apply to this dealer's success or failure?.....
9. Are dealer's expenses heavy, either personally or in the business?.....
10. What do you think of dealer's ability to handle his own credits and collections?.....
11. What experience has dealer had that makes you believe that his management of this business will be successful?.....
12. What is your opinion of the habits, ability, and character of the dealer?..... Have you heard or seen anything detrimental to either, and have you inquired about them?.....
13. Below is a list of qualities in which we want you to compare this dealer with the best Gates dealer in your territory for each particular quality; that is, compare him for "experience" with your most experienced Gates dealer, for "aggressiveness" compare him with your most aggressive dealer, and so on. Use percentage figures for comparison; that is, if he is half as good use 50 per cent, if just as good, 100 per cent, and so on.
 - A—Experience..... per cent. Compared with whom? (Name of dealer).....
 - B—Aggressiveness..... per cent. Compared with whom?.....
 - C—Attentiveness to business..... per cent. Compared with whom,
 - D—Self-confidence..... per cent. Compared with whom?.....
 - E—System..... per cent. Compared with whom?.....
 - F—Popularity..... per cent. Compared with whom?.....
 - G—Salesmanship..... per cent. Compared with whom?.....
 - H—Frankness..... per cent. Compared with whom?.....
 - I—Willingness to learn..... per cent. Compared with whom?
14. What credit limit do you recommend?.....

(Sign here).....
Salesman

EXHIBIT 187.—Form used by salesmen of the Gates Rubber Company Denver, Colo., in reporting on new dealers.

What Determines Credit.—As a great financier has pointed out, a man's ability and honesty and his record often count for more than his capital. Credit departments naturally rely to a large extent on credit ratings as they are given in the commercial agency records such as Dun's and Bradstreet's and on special reports that may be secured from these agencies when needed. The salesman, nevertheless, is in a position, through his direct contact with the buyer and through what he may learn locally, to give his credit department very valuable assistance.

A dealer may appear to be a very good risk and yet be habitually backward in settling his accounts. An example of the exclusive information a salesman is likely to be able to obtain is that of the salesman who got a merchant to admit that he was a gambler on horse races. Several months later he was financially embarrassed, but one creditor who had been warned of this man's habits had safeguarded himself and so suffered no loss.

Another instance of the value of first-hand information is a case where a salesman's report showed that a very small shoe store turned its stock no less than eight times a year. Ordinarily, shoe stores turn their stock twice a year or less. The salesman's observation of actual records made it apparent that this proprietor was an excellent prospective customer for a larger total of purchases than that to which his capital would have entitled him under ordinary conditions. The salesman who secured this information was formerly identified with a credit department. Therefore, he is keen to secure accurate credit data. He chats with the merchant, takes a good look at the stock and gives the record books his attention—when this is possible. Then he records his impressions in a diary from which he makes reports to his company. Such reports have value further than credit, in that they may indicate that more business can be gotten from the customer; also, the information may be later used as a source of suggestion when corresponding with the dealer.

Dishonesty Not Principal Cause of Failure.—The statistics of failures show that dishonesty is not the principal cause of failure. Here are figures extending over a period of years,

showing the causes of bankruptcy as far as they can be determined:

BRADSTREET'S RECORD OF WHY MEN FAIL

CAUSE	PER CENT
Incompetence.....	38.2
Lack of Capital.....	30.3
Inexperience.....	5.6
Fraud.....	7.0
Unwise Credits.....	1.3
Failure of others.....	1.7
Extravagance.....	1.1
Neglect.....	1.7
Competition.....	1.1
Specific conditions.....	11.3
Speculation.....	.7
Total.....	100.0

EXHIBIT 188.

Obviously, then, if incompetence, lack of capital, and inexperience are the usual causes of failure, it is the salesman's mission not only to aid the people with whom he does business to conduct their enterprises properly but to observe just how a man does business, so that he can make an accurate report to his credit department.

Facts That Help to Determine Credit Rating.—The following are some additional facts to take into consideration:

1. The form of a man's capital—whether in tangible or elastic assets that can be realized on easily or whether tied up in such a way that collection would be difficult or impossible:

2. Whether a man's capital was earned, or acquired in some other way. The man who is operating on capital turned over to him by some one else, or on capital gained in some other business and then put into a new venture in which he has no experience does not deserve the credit ranking that is due the man who has ample capital, acquired in the business in which he is engaged.

3. How the business is conducted, as to judicious buying, prompt collections, and the like. Unwise buying and unwise extension of credit may wreck a man whose intentions may be the best. During a money stringency, a New Jersey retailer

announced two kinds of terms to his customers—a cash price and a credit price. So many took advantage of the cash price that the merchant had ample capital throughout the slump, and he had his money at a good saving over the interest the banks would have charged him. Such management gives a man of even small capital a good rating.

4. A man's personal habits. Whatever his capital, the man who plays the stock market recklessly, or who has dubious personal habits is subjected to losses that may make his credit risky.

5. Even the man's family enters largely into credit determination. The extravagant wife, or a big family requiring large expenditures for entertainment, education, and so on, must be reckoned with.

6. Other factors that enter into credit are location of the business, competition, the ability of the creditor's helpers, the quality of his advertising or other promotional effort.

Making Terms Clear.—The salesman gains by letting credit terms be clearly understood. This puts him in a position to go back and remind his customer that the 30-day period has expired and that the credit department is looking for a remittance.

Asking for a Statement.—The day has passed when any sensible business man can reasonably object to giving the facts on which credit can be based. The salesman can put such requests to the customer in this way:

Our credit department wants this, Mr. Jones, in order that you may be given the full credit to which you are entitled. You know your standing, of course, but our home office does not. It is a real advantage to you to give the facts.

When Additional Credit Is Declined.—The salesman of today is kept well informed by his credit department of the standing of the accounts of his customers. Consequently, he is in a position to explain to a slow-paying customer that:

Our folks have a strict rule, Mr. Blank, that a second carload (or a second order of \$500) will not be shipped until the first has been paid for. Now, suppose you let me have a check for the shipment now due for payment. Then, we won't have any question come up about filling this order promptly.

All men are not reasonable, and the salesman now and then will have to contend with the man who becomes irritated or enraged because an order is held up on account of previous bills being unpaid. Such men often bluster as a matter of tactics, threatening to turn their business to competitors, while all the time appreciating the stand of a concern that lives up to its credit regulations fairly consistently. The salesman must use tact in dealing with such a man. He can argue:

This isn't any reflection on your credit, Mr. Blank. These are just the terms on which our business is run and on which our prices are based. Suppose we waived these terms in your case. We ought, then, to do this for every other customer who wants to continue doing business on our money instead of using the banks'. We would then be in the position of furnishing banking resources for a large number of our agents or retailers. We prefer to leave such business to the banks. It belongs to them.

How is it in your case? Don't you feel it good business to have the people to whom you sell live up to your credit terms?

Putting the situation this way, the salesman, even if he cannot make a collection for the entire amount at once, can often get the customer to fix a date on which a check will be mailed.

Information from Local Banks.—Local banks may be used as a source of information. They will give in brief the status of any new firm about which salesmen wish to know. It must be taken into account, however, that banks may have good reason—especially if the firm inquired about is a depositor—for giving as favorable an opinion as the conditions permit. Usually they desire to help local business firms by “speaking a good word.”

Value of Prompt, Regular Payment.—“Short credits make long friendships” is a principle that is expounded to the salesmen of the great H. J. Heinz Company.

Many executives of broad experience hold that it is beneficial to a retail merchant to form habits of prompt payment. If he forms the other kind of habit—becomes worried and seeks to amend conditions temporarily by changing jobber or manufacturer—he disrupts relations with salesmen and

sales manager of the firm with which he has been dealing. Hence, checks on a man are often real kindnesses. When the credit manager places a check upon the customer the salesman should realize that such judgment has been formed through information of the dealer gained in much the same fashion as the salesman gets his knowledge of the dealer, and with the best of motives. If the salesman does not agree with the credit man's judgment, he must undertake to submit facts that will show a different decision to be the equitable one.

Teaching Buyers the Value of Discounts.—Though many keen buyers of goods appreciate the importance of taking discounts, there is still an army of purchasers—merchants as well as individual buyers—who seem to feel that they are being favored when they are allowed to enjoy long credit periods. The salesman can often do both the buyer and his own firm a good turn by showing the buyer how he is actually in pocket by making a short-time loan at the bank and taking a liberal discount for quick payment on purchases. Two per cent for cash in ten days is really a tremendous margin as compared with 6 per cent as a yearly interest on borrowed money, for 6 per cent yearly is only one-half of one per cent for the use of the bank's money for 30 days. There are concerns selling goods with a percentage as high as 5 per cent for payment within ten days or 30 days.

Many manufacturers and jobbers wisely endeavor to have dealers run their enterprises on their own capital instead of looking to manufacturers or jobbers to grant long-time credits and thus really furnish capital for the dealers' operations. They believe it is to the dealer's interests to earn all discounts and so coach him to use local banking facilities in order to do this. When a dealer wants long credit or offers a note, the suggestion may be made, "Why don't you handle this transaction at your bank and earn the difference?"

As a matter of course, none of these methods fit every situation, and their usefulness at all times depends on the tact with which the salesman offers his suggestions.

Looking Up References.—The references that a customer gives may yield valuable information as to his credit. But the salesman should remember that if his credit department

must write to these references, time should be allowed for that, and immediate shipment cannot be safely promised. Therefore, some credit departments ask their salesmen to explain to a new customer that, in order that there may be no delay in sending his first order, he should send a bank draft—that this gives ample time for looking up references before the next order, and so on. Where the salesman himself is able to get the necessary information from the references, or they can be reached easily by telephone, this situation may be avoided.

Sometimes the business is of such character that the mere ability to give several well known firms or men as references will satisfy a credit department. The mail-order firms and concerns that sell from house to house are often able to use references as a lever in forcing collections from a slow-paying customer.

Saturday Morning Conferences That Facilitate Understanding.—In those cases where the sales force is a local one and can gather at the home office conveniently every week, it has been found that Saturday morning conferences, in which the salesmen and the credit manager take part, assist greatly in deciding just how credit shall be extended. The salesmen come in once a week with information picked up at first-hand and can give the credit manager the benefit of this. The credit manager, on his part, is prepared to tell the salesmen just how different customers stand with respect to their accounts, the information he has obtained from other sources that indicate caution in extending further credit, and so on. These frequent conferences enable the home office to coach the salesmen as to collections that ought to be made and thus avoid some of the misunderstanding that often occurs when an account has run weeks or months beyond the due date and the home office has to take up the matter by letter with the salesmen or the customer, or possibly with both.

One of the principal advantages of this method is that credit affairs which can be talked over by salesmen and credit man or treasurer are usually understood much better than when the exchange of views has to be by letter. It is unfortunately true that many people will misunderstand messages conveyed by letter and construe them as reflections on their

credit or judgment, when if the same topics were discussed in face-to-face intercourse the solution would be obtained easily.

A credit manager quoted in the *Business* magazine has this to say about the kind of information often sent in by salesmen and the need for close conference between credit manager and salesmen:

The salesman, you know, always thinks that his customer's condition is better than it really is. You have heard a salesman come in all excited because an order has been turned down. "Why," he will say, "Smith is all right. I'll stand back of that order myself. I'll guarantee that Smith will pay." Whenever I hear a salesman talking like that I get suspicious. I know there is something wrong with the customer. Salesmen, you see, deal in personalities. They spend a lot of time working up sincere friendships with their customers. The result is that they lose perspective. Invariably they rate a man higher than he deserves. And sometimes, too, the salesman is thinking only of piling up commissions. He's working for himself, not for the firm.

So you see why we believe that it is never safe to rely on a salesman's information. It is biased, out of perspective. Our job is to restore the perspective, to make the salesman see his customers as they really are. And the only way to do it is to take the salesman into full confidence. The credit man must give the salesman all the financial information at his disposal.

Too many credit managers play the game in the dark. They permit a salesman to struggle for a big order until every ounce of his courage and endurance has gone into the fight. Then, when the order comes in to the office, they turn it down. What is the result? Put yourself in the place of the salesman and guess. Where is his courage now, and his confidence in his house? Gone like a puff of smoke. Deciding credits behind the salesman's back is the surest way on earth to destroy his confidence and his fighting spirit.

It is Saturday morning. In comes Jennings, who covers the southern counties. Mr. Crump picks up a list of the customers on whom Jennings will call during the week.

"Here's your routing for the week," he says. "First man you'll see will be Arkwright, in Inaha. He's O. K. Sell him whatever he wants. But it might be well to find out why his orders this month have fallen below his average. Arkwright is too good a customer to let slide."

"Right," says Jennings, and makes a note on his list.

"Then, you'll jump to Chula to see Watkins. You'll have to watch your step with him. He has paid nothing this month. But our information shows that he's doing his best. His own collections are coming in very slowly. He's good, all right, but I wouldn't sell him over fifty dollars. And while you're in Chula you might see Snodgrass. Here's his account. Owes \$228 and is two months behind on his payments. Apparently he's in good shape, but he's not enough of a business man to pay his bills promptly. Careless, that's all. Talk it over with him and see if you can get a check. Don't sell him unless he gives you a check. In any event hold him down to a hundred dollars."

"Right," says Jennings, scribbling another notation on his list.

"You'll notice," says Mr. Crump, "that we've cut out Biggers, of Inaha. Nothing doing with him. Here are the reports on him; he's heading for the rocks."

"Right," says Jennings.

Thus, Mr. Crump and Jennings discuss each of the twenty-four or twenty-five customers on whom Jennings will call.

"As a result," says Mr. Crump, "Jennings knows as much as I do about credits in his territory, and if he's a man of intelligence he'll send in nothing but good orders, orders that I can O. K. without delay. You see the point I'm trying to make—that the salesman is entitled to all the financial information known to the home office. The function of the credit manager, as I see it, is not to turn down bad orders but to prevent them. And the only way to prevent them is to make every salesman a credit man."

STRAY THOUGHTS AND MISCELLANEOUS SUGGESTION ON CREDIT

Look out for the man who hands out orders too freely. Sometimes the orders that are the easiest to get are the hardest on which to collect.

To secure an order from a man or a firm whose credit is doubtful is nothing to brag about. Real honors are due the man who secures business from individuals and firms of high standing. Almost any kind of salesman can secure the dubious business.

Large orders are often welcome, of course, but it is better to take an order of reasonable size that a customer can pay for within the usual credit period than to load him down with an order that may start him toward bankruptcy, or at least on the road to poor credit standing.

SECTION XXII

PLANNING AND USING ADVERTISING

The subject of modern advertising, if treated fully, would fill a number of volumes. Yet, as advertising is usually an important part of most sales campaigns and as sales managers may supervise advertising and be charged with the responsibility of seeing that their men use advertising effectively, some consideration of the subject is essential in this volume.

What has appeared in previous Sections, with respect to research and analysis, applies to the advertising of a business just as aptly as to its sales planning, for advertising is merely a part of the sales planning. The working out of the details of an appropriate advertising plan may fall to the sales manager, to a marketing committee, to an advertising manager or to an advertising agency employed by the firm. There is not space in this volume to outline all the details of publicity plans, for they are of almost endless variety.

Some of the most fundamental things to be considered are:

1. The scope and general character of the advertising.
2. What can be spent for advertising, expressed in percentages or total costs.
3. Media or means for circulating the advertising—newspapers; general magazines; trade or business magazines; letters; booklets, catalogues, folders or other printed matter; car cards; outdoor posters or signs; house organs; novelties or specialties. One or several of these may be used.

SECTIONAL OR NATIONAL CAMPAIGNS

If the product is of a nature that can be sold only to distinctive classes or groups, such, for example, as architects, ship-supply dealers, poultry fanciers, fruit-farmers, or

restaurant keepers, a country-wide campaign in nationally circulated media may be the only logical plan.

When, however, the product is of such a nature that its market may be found everywhere—a pancake flour, a soap, a shoe, or something else of very general use—the business firm should consider very seriously whether it can afford to attempt cultivating the entire country at once, or whether the better plan is that of taking a small territory, such as a city, a state, several contiguous states, or a section—New England, for example—and making an effort to get strongly entrenched there before extending the effort further. A firm with limited capital may easily make the mistake of spreading its effort so thin that it is ineffective and is altogether lost.

The *Lefax* magazine sums up this situation aptly in the following paragraphs, the views being those of a writer who is commenting on the advertising of generally-used commodities.

If you are trying to sell nationally, think first of the United Markets of America rather than of the United States of America. Use your salesmen and your advertising to establish yourself firmly and profitably in each market you enter.

The primary function of advertising in the merchandising of a product is to assist in selling it. It is to assist the manufacturer in selling it to the retailer (generally through jobbers) and to assist the retailer in selling it to the consumer.

Not only must advertising be an assistant to selling, but it must be designed to promote selling at a profit. Every business man knows that not all sales are profitable, but many advertising men ignore this vital fact. A sale is a sale to them and the advertising is credited with a triumph, even though accountants record the net in red ink.

If an article costs 75 cents to manufacture and sells for \$1, it is obvious that the profit will depend upon how much it costs to sell it. It may cost 24 cents to sell it in distant regions and 20 cents to sell it in the city of manufacture. In the one case, the profit is 1 per cent, in the other 5 per cent, or five times as much. The manufacturer must not lose sight of the fact that 5 per cent on \$1,000,000 amounts to \$50,000 net profit while 1 per cent on double the sales (\$2,000,000) amounts to less than half as much net profit (\$20,000).

To secure the greatest number of high-profit sales and to eliminate the unprofitable sales it is necessary to localize and sectionalize advertising and sales work. Intensive sales and advertising campaigns should first be organized in those sections where receptive markets, convenient transportation, possibilities of large volume, etc., indicate that each

dollar of sales work will yield maximum profit. Advertising and merchandising effort should be concentrated in these sections until they are producing all the high-profit dollars that can be obtained from them. Then, the next best sections should be taken up in the same way until every market which can be worked profitably is yielding its full quota.

The manufacturer who builds his business in this sane, sure manner may never be able to boast of "national" distribution. His New-England-made heating plants may be unknown in California, or his California marmalade may have no sale in Florida. His vanity may not be tickled—but the solidity of his business and the size of his bank balance will console him.

This is sound advice with respect to many commodities, but, as already noted, the appeal of many business firms is such that a country-wide, rather than a sectional campaign, is the logical method.

Employing an Advertising Agency.—In seeking the aid of an advertising agency, a business firm will do well to be guided by the following considerations:

1. The business judgment and experience of the men composing the agency.
2. Their particular experience in marketing articles similar to those produced by the firm seeking agency service, or in dealing with the particular trade or group of buyers that this firm is to deal with.
3. The business successes for which the advertising agency is partly or largely responsible. Accounts lost by the agency and the reasons for such losses.
4. The caliber of the one man who will be expected to give the account his special attention and the amount of time he will devote to the work.
5. Financial standing of the agency and its standing with the various groups of publishers.
6. Kind of service that the agency proposes to give. Methods of working. Definite information as to compensation for the service.

ADVERTISING APPROPRIATIONS AND BUDGETS

A vote taken some years ago among large advertisers showed that more than 50 per cent of national concerns base their

advertising appropriations on sales, taking the previous year's total in calculating the proportion.

Methods of Determining Advertising Appropriation.—

There is a variety of other methods:

1. Taking from month to month a percentage of the previous month's sales and placing this at the disposal of the advertising department.

2. Estimate of the needs for the forthcoming year, arrived at through a study of the previous year's sales and the probable sales of the twelve months ahead.

3. Arbitrarily fixing the amount the advertiser feels can be spent advantageously in promoting business for a forthcoming year.

In general, it may be said that the previous year's sales do not afford a scientific basis, for the reason that it is past business and has little to do with future operations, except as a record of accomplishment and a record of money in hand with which to work.

There are so many conditions to take into account: whether the goods to be promoted are old, established articles already enjoying a fair sale, or new ones that call for vigorous promotion; business conditions; competition; plan of selling; attitude of company-salesmen, of wholesalers, and of retailer.

Practices of a Candy, a Stove and a Soap Manufacturer.—

The manufacturers of Whitman's candies say that they consider two factors in arriving at a new advertising appropriation:

1. The very definite results that are aimed at in our advertising campaign and the amount of advertising required to accomplish these results.

2. The amount of money available for advertising, based on our records for past years, and our forecast of gross sales in the coming year.

A large stove manufacturer, the Sill Stove Works, of Rochester, N. Y., states his practice in the following language:

First, we determine a reasonable quota for the coming year, and taking a percentage in past years for advertising, arrive at the total advertising expenditure.

Colgate & Company, well known soap manufacturers, believe in a certain amount of elasticity in laying out the advertising appropriation and keep a percentage of the fund available for new ideas and methods that may come up during the year. This does not mean that the larger part of the advertising is not devoted to fundamental advertising activities fixed for each year's work, but this advertiser, like some others, regards good advertising as that which possesses room for novelty and new ideas. Therefore, its executives reserve some of the ammunition, so to speak, for special attacks on public favor, when such ideas and opportunities are brought to attention.

Dartnell Summary of Methods of Building an Advertising Appropriation.—The Dartnell Corporation, of Chicago, drawing from forty-six different types of business, has set forth the following summary of methods used by executives in making up their appropriations for advertising.

1. By taking a certain percentage of the previous year's sales. For established staples, where there is little variation in the volume, this method has its good points. Usually runs from 2 per cent to 5 per cent. Patent medicine men formerly put 75 per cent back into advertising.

2. By taking a certain percentage of the anticipated sales. Provides a mathematical formula, which if based on conscientious market analysis comes closer than the first method to providing an appropriation adequate to the needs of the business.

3. By appropriating enough to accomplish the objectives of the business for the year. This puts the appropriation in the class of "factory costs"—elevates it to a position where it occupies a place as an integral part of the business rather than as an "overhead."

4. By investing in advertising to buy inquiries or direct sales. This is the usual mail-order method used by mail-order houses, department stores and by others whose advertising cost must pay its way as it goes.

5. By going the competitors "one better."

6. By appropriating a percentage of the previous year's profits. Would not do for a new company trying to establish itself.

7. By special appropriations, as the need for advertising at a particular time becomes apparent.

8. As a good-will investment, because advertising may not be profitable until third or fourth year.

9. Basing the appropriation on a certain unit of the product known as the "case basis." Frequently used in association campaigns; California Fruit Growers' Exchange sets aside for advertising $3\frac{1}{2}$ cents a box on oranges and 6 cents on lemons.

Item 8 in the foregoing review expresses a typical view of advertising, and it is perfectly true that the advertising spent one year may exert its force over a period of years. It would be risky, however, not to check such a program against the actual figures of increase from year to year.

Consider the Undertaking First.—A large paint manufacturer says that too often the advertising program is a case of "We have so many thousands or hundreds of thousands of dollars to spend this year, just how will we spend it?" His argument is that the correct view is "We have such and such a job to accomplish this year. What is the best way of accomplishing it, and what will this cost us?"

If the advertising fund available is not large enough to do the needed job, then it becomes the job of the sales manager or the general executive to see that the needed work is done by some other method.

Additional Data on Sales and Advertising Appropriations.—The Palmolive Company, a very aggressive concern in both sales and advertising methods, states that its appropriations are always made on the basis of anticipated sales rather than on a previous sales total. On this basis its budget for promotional work is always larger than the budget for the preceding year, and for several years this increase in appropriation for sales effort has been followed by a corresponding increase in sales. The manager of this concern is of the opinion that if the appropriation for promotional work had been based on a preceding year's sales, the progress of the company would have been less rapid.

The experience of a Middle-western manufacturer of heating systems is typical of the methods of many organizations. When new salesmen are added in a territory and a new quota is fixed, a liberal amount of money is set aside for promotional work in that territory without any particular consider-

ation of the previous year's sales. In other words, a new task is to be done and the management figures out just what the advertising and sales expense is likely to be and risks that expenditure. Any regard for the previous year's sales or profit would not meet the need if a vigorous sales campaign is to be carried out in the new field.

Ten Items Most Frequently Considered.—The Dartnell Corporation, after corresponding with a number of sales executives, found that the following ten items were those most often taken into consideration in figuring out the appropriation needed for sales work of a new year:

1. Last year's sales.
2. Average sales for last several years.
3. Past and anticipated selling resistance.
4. Lines that yield the greatest margin of net profit.
5. Production facilities.
6. Expansion.
7. General public attitude, and attitude by territories.
8. Analysis of lines for the possibilities of increasing volume on a leader.
9. Competition.
10. Factors peculiar to the business.

Percentages Used.—The advertising appropriation ranges, so far as percentages on gross sales go, to as low a figure as $\frac{1}{3}$ of 1 per cent and to as high a figure as $33\frac{1}{3}$ per cent. Therefore, averages mean little.

A review of the expenditures of nearly one hundred advertisers showed the largest number ranging from 2 per cent to 10 per cent, the general average falling between 5 and 6 per cent. These concerns were all manufacturers or large sales agencies, such as importers or jobbers.

In studying these figures, it was observed that the percentages for different years varied greatly. The percentage in one case for a period of nine to ten years might be 3 to 4 per cent of the amount of gross sales, whereas the percentages in one year might run as high as 10 per cent.

Budgets for the Advertising Work.—Advertising expenditure, like general sales expenditure, should be laid out

in the form of a budget, showing the approximate amounts needed for the following branches of the work:

1. Periodical advertising space
2. Art work (drawings, photographs and plates)
3. Direct-mail advertising
4. Catalogues or bulletins
5. House organs or employes' magazines
6. Sampling and sampling methods
7. Dealer aids of all kinds
8. Imprinting work
9. Outdoor advertising
10. Car cards, etc.
11. Novelties or specialties
12. Express, freight and postage
13. Stationery, envelopes and cartons
14. Salaries and traveling expense
15. Miscellaneous expense

By thus itemizing the appropriation, the sales manager or the executive who must pass on the advertising appropriation has an opportunity of being better able to judge the importance of each item. Any kind of expense, advertising or other expense, regarded merely in bulk is likely to be judged excessive and be cut down materially. The budget method gives better opportunity for intelligent discussion of just how much of the sales expense should be devoted to advertising.

Deciding on the Budget.—One prominent merchandising man gives the following as a basis for deciding on an advertising appropriation:

- (a) The capacity of the plant
- (b) The present output and the rate of increase
- (c) The cost and selling prices
- (d) Total selling expense allowance
- (e) The total sales organization expense, and consequently the unit advertising expense allowable
- (f) The results to be obtained in order to keep the unit expense at the proper amount.

Explanation of Budget.—In addition to the fifteen items in the paragraph headed "Budgets for the Advertising Work" which will, of course, vary greatly according to the nature of

the business, budgets of either advertising or selling expense should include the following explanations:

1. Products to be exploited.
2. How various plans or methods will be used
3. Markets to be covered.
4. Selling factors.
5. Details of the various advertising and distributing media to be used.

Value of Sticking to Program.—Not much is to be gained by laying out a definite program and appropriating a certain amount for advertising expense unless such a schedule or budget will be adhered to reasonably closely, though it is, of course, true that every advertising appropriation must have a certain amount of elasticity to take care of the unusual things that come up, no matter how carefully the plans may be made at the beginning of the year. Unless the program is mapped out and followed, an advertiser may be embarrassed to find himself at the end of his appropriation with not half the work done, though the year may be yet young.

PERCENTAGES IN REPRESENTATIVE BUSINESSES

Automobile Manufacturers' Percentages.—One prominent automobile manufacturer gives as his percentage of advertising appropriation 3 per cent of the gross value of his car sales, though this percentage is not a fixed item. Some seasons it is less, while other years it is more, depending greatly on market conditions. For example, if the market were oversold on his product, the advertising appropriation would naturally be cut somewhat. Another automobile manufacturer recently took as his advertising appropriation approximately 2 per cent of the gross sales. A knowledge of how many cars the factory was prepared to turn out, coupled with an understanding of the conditions of the country, enabled this manufacturer to fix this percentage as a proper amount to dispose of his capacity output and at the same time build up his prestige.

Tire Manufacturers' Experience.—In 1918 the advertising appropriation expense of two automobile-tire manufacturers ran from 2 to 4 per cent.

Clothing Manufacturers' Percentages.—A large men's clothing manufacturer of the Middle West appropriates about $1\frac{1}{2}$ per cent for advertising. Still another clothing manufacturer sets aside a percentage of $2\frac{1}{2}$ per cent, and finds that the needs can be well taken care of with this percentage. A Northwestern underclothing manufacturer spends from 1 to 3 per cent of the total amount of sales in advertising, though 3 per cent is regarded as high by this firm.

Furniture Company's Appropriation.—A large office appliance and furniture firm has for several years back spent approximately 5 per cent of the gross amount of sales in advertising.

Typewriter Company's Percentage.—A typewriter manufacturer gives 5 per cent as his general average.

Paint Manufacturers' Average.—Taking the experiences of two national paint manufacturers as typical, the appropriation for advertising in this branch of industry runs from $3\frac{1}{2}$ to 4 per cent of sales.

Mail-order Jewelry Concern's Percentage.—Several years ago one of the most prominent mail-order jewelry firms of the United States gave as the amount expended for advertising 15 per cent of the gross sales, with the information that this percentage was perhaps lower than it should be.

Candy Manufacturers' Percentage.—One of the very large candy manufacturers tries to keep his advertising appropriation within 5 to 6 per cent of total gross sales.

Machinery Manufacturers' Percentage.—One prominent American machinery company gives its appropriation for advertising as around $4\frac{1}{2}$ per cent of the selling price, while another and larger concern gives its percentage as 1 per cent.

WHAT A SALESMAN SHOULD KNOW ABOUT ADVERTISING

It is unfortunately so common to find jealousy and misunderstanding existing between the two departments of business which are so closely related that often it is not possible to say where advertising ends and salesmanship begins.

Two Biased Views.—The trouble comes largely from the fact that the sales manager and the salesmen under him are

prone to overrate the value of personal contact and personal relationship. This contact is of tremendous value, but it is not the whole of promotional work. The sales manager or the salesman who flatters himself that his own personality and personal effort make up the principal source of business very often finds out, after he leaves a company, that the business does not go on the rocks, despite the fact that it must go on without his highly important personal effort.

The advertising man, on the other hand, is prone to think that advertising is the big thing—the steam without which the business ship cannot continue to move. He is, of course, highly interested in every little detail of the publicity work and cannot understand why others are not. He becomes impatient because sales manager, salesmen, wholesaler or retailer do not give painstaking attention to all advertising aids.

A little better understanding and a broader view on both sides would bring the right teamwork and the fullest possible effect from the advertising appropriation.

Important Facts for Salesmen.—Here are a number of fundamental principles that salesmen should keep in mind with respect to advertising.

1. That advertising “breaks the ice for” the salesman, in that it makes products and their principal features generally known and thus saves the salesman considerable of this introductory work. Every experienced salesman knows the hardship of having to sell an article that the prospective buyer never heard of. If the prospective buyer’s face looks blank when the name of the “Jones” typewriter is mentioned, the salesman has a longer lane to travel in making his sales, though of course he may succeed in spite of the obstacle.

2. In addition to introductory work, good advertising does its work between the salesman’s calls. This advertising may be direct pieces of literature sent to the prospective customer’s address, either on the salesman’s request, or by the adopted plan of the home office. Such publicity backs up the salesman’s statements, gives official sanction and perhaps further illustration of certain points.

3. Printed matter of the right kind gives a great many small details of information in a more orderly way than they can

be given in oral canvass, leaving the salesman free to emphasize certain points.

4. Advertising permits the prompt use of newsy material relating to the goods. It may put this information before prospective customers in their leisure hours.

5. Advertising may make complete sales. In some lines of business sales made through advertising alone reach an enormous total. In general, however, advertising is "mass selling"—that is, it is sales information and argument addressed to a large mass of prospective customers. Its purpose is to supplement the work of the salesman, to give the article and the firm prestige. It cannot ordinarily deal with the individual and with individual requirements, as the salesman can do.

How a Salesman Can Make Advertising Effective.—The salesman can be of invaluable aid to the advertising of a business by:

1. Giving his own opinions and impressions of the kind of advertising required. He has a viewpoint that often the advertising man in the home office lacks, even though the advertising manager may go out among the consumers of the article and also interview the trade. In undertaking to make suggestions, however, the salesman should take into account the fact that he is not an advertising man and that his suggestions on a number of points may not, for one reason or another, be practicable.

2. Keeping the home office informed as to what competitors are doing in the way of advertising. The home office will see competitive appeals that appear in the widely circulated newspapers and magazines but may not see the material forwarded directly to consumers or dealers. The salesman can be a valuable scout in getting data about direct literature of competitors, their signs and other display aids. He can give a valuable account of the impressions made on both customers and dealers. At the same time, it must be recognized by him that it may not be good policy for his own firm to always use the kind of advertising that competitors use. In dealing with the retail trade, let the salesman remember that it is human nature for a group of dealers to want something other than that which is offered. If newspaper advertising is a part of

the program, some dealers will offer the usual argument that newspaper advertising isn't read, that circular letters, painted-board advertising, or money spent in special demonstrations, would be better.

3. The salesman will hear much about the wastes of advertising. He should be able to explain to those with whom he comes in contact that advertising must, of necessity, be addressed to broad groups of readers, that it is not always possible for a manufacturer or even a distributor of the merchandise to have an exact mailing-list of the people who would probably buy. Like the sower of old, the advertiser must sow broadly in order that some of the seed may fall on good ground and produce a harvest.

The salesman can himself check considerable of the wastes of advertising by seeing that what is sent to the dealers is used properly. If the dealer is inclined—as often he is—to put on the shelf electrotypes for local advertising that he could use to advantage, or leave unpacked the sign that the manufacturer has sent, or put away in some obscure place the fixture or window-display feature that has been forwarded, the salesman, in order to realize on the advertising that has been spent in his territory, must cooperate by aiding the merchant to see the value of and to use the advertising aids sent. Very often the best way to do this is for the salesman himself to see to the putting up of the sign or hanger or to the effective placing of the display fixture.

Many a salesman has taught a retailer a valuable merchandising lesson by aiding him in getting up a mailing-list and in sending out some literature to such a list.

It has paid many salesmen to take the time to show a merchant how to use advertising literature to advantage or how to make a demonstration of goods.

Every Business Has Its Own Peculiar Requirements.—These comments are of course general ones. What would apply to the salesman selling vacuum cleaners or cream-separators would not apply to the salesman of shoes or soda-crackers. But the conscientious salesman regards himself as a true representative of his firm—the advertising department as well as the sales. Furthermore, he will, in the

long run, serve his own personal interests by doing all in his power to see that the advertising put out by his firm gets its best chance for effective work.

Take, for instance, the case of two salesmen handling plumbing supplies. One rests content with the knowledge that the advertising department of his firm has referred all inquiries from prospective customers in the neighborhood of Blanktown to the Jones Brothers. He does not bother Jones Brothers with inquiries about these requests for information. A salesman selling a competitive line keeps private memoranda of all inquiries from Blanktown and community and casually checks up on some of these when he visits Jones Brothers. If Jones Brothers are disposed to hold that all inquiries are prompted merely by curiosity and to argue "Why not give us a better price on supplies and let us push your goods instead of wasting this money in advertising?" he gets out and interests some of the inquirers to the point that they indicate they will be glad to see Jones Brothers. Or the enterprising salesman helps Jones Brothers arrange an effective display of fine bathroom fixtures that often sell themselves if only put where customers can see the goods. Mr. Progressive Salesman will show Jones Brothers how the special folder on modern kitchen sinks, put into the small package that is to be delivered to the housekeeper, will here and there bring about the installation of a modern sink.

Checking the Wastes of Advertising.—Occasionally the salesman is disposed to be too liberal with advertising matter, particularly that intended for the retail dealer, and will send in requisitions for fifty dollar's worth of material where the sales that can be reasonably hoped for would not warrant more than twenty-five dollars' worth. He must look on advertising as he does on any other expense—something to be measured by the results that will be produced.

He can often get around an unreasonable request from a dealer by explaining: "Mr. Jenks, these booklets are rather expensive and we have only a limited edition. We want them to count for as much as possible for you and for us. Now, suppose you let me send you fifty. By the time those are gone, we can let you have another supply, probably."

As a matter of fact, most dealers greatly overestimate the amount of advertising material that they can distribute to advantage. Their appreciation of good advertising literature is heightened by the salesman's care in dispensing it and his zeal in seeing that it is properly used.

A great waste comes about by sending dealers something that they will not use. This kind of folly is practiced very generally by salesmen. Advertising departments get what they call "hotel requisitions"—that is, requisitions made out by the salesman in his room on pure guesswork and with the hope that the dealer will use some of the material. It is much better to discuss the advertising aids with the dealer, convert him to their use, if possible, and then send what he will use. By getting his views and his promise to use the material, the salesman has a better chance to follow up.

Tying the Dealer Up to the Brand.—A point of interest to the salesman is that when the retailer can be induced to cooperate actively in the distribution of advertising that features certain goods, he is tying himself up to that brand to some extent—which is a kind of protection for future business from that dealer. He can, of course, change to other brands, but when he has done a fair amount of missionary work exploiting Blank's Paints, he has something to gain by sticking to Blank's Paints and not changing to Blink's.

Getting Letters That Support the Salesman's Talk about Advertising.—When the home-office system permits, the salesman is helping his cause by suggesting to home-office correspondents that certain letters be written to consumers or to dealers, referring to advertising matter that the salesman has requested. Such letters, for example, may begin in this style:

Our Mr. Hamilton has written us about the talk he had with you with reference to making a drive for some extra business on modern kitchen equipment, and we are glad to make up for you the hundred special letters, as well as imprint the folders he discussed with you.

Salesmen Should Read Their Firm's Advertising.—Finally, the salesman cannot expect to get the full value from the advertising his firm uses unless he is familiar with it, so that

when occasion offers he can take up an item of the advertising, whether it be a folder, booklet or sign, catalogue, window-display or counter fixture, and review its points intelligently. It is a confession of weakness for him to say "I am not an advertising man. My business is that of selling," and so on. He is losing a great opportunity if he admits that printed salesmanship, prepared in such a way that it can be grasped intelligently by either the consumer or the retail dealer, is a puzzle to him.

Making Good Use of the Portfolio or Exhibit of Advertising.

While the advertising department of the firm that employs the salesman may send to the retail trade various exhibits or reminders of the advertising campaign, the salesman has it in his power to impress on the retailer the value of the promotional campaign as no one else can do.

Whether the salesman carries a portfolio of the campaign, a loose-leaf binder of exhibits, or a series of proofs stapled together, he should go over this program until he understands it thoroughly and can describe it enthusiastically. Then he should make it a point to get the retailer, buyer—or whoever the proper person may be in the retail establishment—where he can spread out his exhibit on a table, desk or chair and review it.

Too often the manufacturer's or jobber's salesman assumes that the retailer has seen the advertising when it first appeared in the newspapers or magazines, or has seen the various exhibits sent to him through the mails by the advertising department. Sometimes he has. Often he has not. So much comes to the retail dealer in his mail that it is not surprising to have him forget or neglect a good part of it. And even if he has seen some of the material in periodicals or taken casual notice of the exhibits sent to him direct, the salesman's review of the program will be all the more impressive.

Impressing the Dealer with the Importance of Supporting National Advertising.—It is exceedingly poor business for any manufacturer to spend a large amount of money for the purpose of increasing sales through the retail stores and then not capitalize this effort. If he spends this large amount of money and trusts to luck that the retailer who sells his product

will see and appreciate the effort, he is sure to lose a great deal of benefit. Some sales managers, by special delivery letters, telegrams and other methods, see that the trade takes notice of all special features. For instance, suppose a kitchen-cabinet concern has full-page advertisements in half a dozen prominent women's magazines for September. A telegram such as the following may be a good investment:

Strong full-page advertisements on Priscilla cabinets coming out September *Ladies' Home Journal*, *Woman's Home Companion*, *Pictorial Review*, *Delineator*, *Good Housekeeping*, *McCall's*, *Modern Priscilla*. We count on you for strong window-display support.

But notwithstanding this and other methods that may be used in direct communication, the able salesman can do more than any one else in impressing on the retailer the importance of supporting the national advertising with window-display, store-display and local newspaper or circular advertising.

ADDITIONAL AIDS AND SUGGESTIONS

Giving Salesmen Durable Proofs of Advertising.—Advertisers who provide salesmen with proofs of their advertisements for showing to dealers will find that they last much longer if printed on sized linen stock. In producing both portfolios and loose proofs, this material is far superior to the highest grade of paper stock. When proofs are taken on a hand press, half-tones will come out well and frequently look better than on paper. Proofs so printed will stand rough handling for as many months as the old style of proofs will for days. The method is effective also for proofs intended for display in dealers' windows. Booklets for use in such places as kitchens, engine rooms, etc., can be given a much longer life if printed on this material.

(*Marketing.*)

Charts to Aid Salesmen in Using Advertising.—Retail dealers and local sales agents have so much poured into their ears about the wonders of advertising that it has become increasingly difficult to impress on them the real merit of an effective advertising campaign. In order to meet this situation, the DeLaval Separator Company made up a series of

charts that showed graphically not only the extent of the DeLaval campaign but also how the advertising aided in selling work.

Ten charts were prepared by the advertising department as follows:

Chart 1. Bird's-eye view of all DeLaval advertising activities.

Chart 2. Advertising in the farm papers showing relative amounts spent for a year by all companies in the field.

Chart 3. The total number of DeLaval advertisements that appeared during 1921—about 90,000,000.

Chart 4. Comparison of repeating 90,000,000 messages by word of mouth or mailing them under one-cent postage.

Chart 5. "If a sale averages three calls, selling without the aid of advertising would take three times as long as it would with it."

Chart 6. Shows how national advertising reduces the selling time one-third, local advertising another third, leaving one-third for personal salesmanship.

Chart 7. DeLaval sales represented as a stool having three legs: national advertising, local advertising, personal salesmanship.

Chart 8. Drives home an important lesson: if the dealer does not follow up and complete the sale, money spent in national and local advertising is lost.

Chart 9. Picture of a freight train of fifteen cars to illustrate that fifteen carloads of advertising matter were distributed last year.

Chart 10. One year's issue of the company's house magazine would, if stacked in a single pile, be three times higher than the Woolworth Building.

These charts consist mainly of strongly displayed, concise statements with diagrams visualizing the points made. For example, in Chart 5 there was a segment of a circle divided into three parts, each part labeled "Call," illustrating that three calls were required for an average sale. If a sale without the aid of advertising averages three calls, a sale with proper advertising would ordinarily be concluded in one call; thus selling without the aid of advertising is trebling the effort. Under this illustration is the strong lettering "Time required to make a sale entirely by personal salesmanship unassisted by advertising."

Chart 6 is an elaboration of Chart 5, the segment of the circle being shown again, visualizing the three calls but showing how one call may be taken up by local advertising consisting of calendars, cooperative advertisements and signs.

Both dealers and salesmen are impressed with the 90,000,000 advertisements circulated by the DeLaval Company by showing them that if the company's slogan "Sooner or later you will use a DeLaval" had to be repeated by word of mouth it would take one man about 24 years to say it 90,000,000 times or it would take 24 men one year to do it. Another comparison is made: "It would take one man 43 years to speak to all the farmers of the United States, provided he could get an audience of 500 each day." It is likely that most men get a better appreciation of the amount of advertising circulated by an advertiser of this class when told through word and picture that the advertising literature, calendars, signs, etc., distributed to customers and dealers would fill all the cars of a 15-car train.

This effort on the part of the DeLaval Separator Company is just one more example of the value of diagrams and illustrations in making clear and impressive statistical information on the processes of advertising and selling. According to an account of the DeLaval plan related in *Printers' Ink Monthly* for February, 1922, the exhibit was much more effective with both salesmen and dealers than a portfolio carried around by salesmen showing the year's campaign of their company.

Do Not Overrate the Value of Advertising.—During the period when a larger number of manufacturers began to make use of costly advertising campaigns to advance the sale of their products it was but natural that salesmen would often overrate the effects of advertising. It was the common practice for both advertising managers and salesmen to approach the retail dealer with the argument that some campaign under way for certain goods would create a procession of new customers. Literature would be sent out with pictures showing Mr. Consumer and Mrs. Consumer reading the advertising in the home, and giving the impression that the next day would lead them down to the store to buy the goods. Actual pictures would be put before the dealers showing crowded stores or crowds around windows as the result of advertising campaigns. Of course, crowded stores are nothing unusual as the result of a very good retail campaign on some popular article but it is rare that any national campaign will bring immediately a

procession of customers unless the article advertised has some extraordinary drawing power.

Consumer Acceptance.—The constant picturing to the dealer of strong consumer demand likely to come from certain advertising had an unfortunate effect. Usually the procession of customers did not come. At least they did not come with a definite demand for the article advertised. Of late years, therefore, conservative manufacturers and sales managers have been warning their salesmen about the dangers of claiming too much for advertising. They have taught "consumer acceptance" rather than so much consumer demand. A publication put out by E. T. Meredith, of Des Moines, Iowa, entitled *Merchandising Advertising*, expresses this in the following paragraphs.

"YOU'LL HAVE CALLS" IS DANGEROUS ARGUMENT

Generally speaking, advertising makes itself felt in two very definite and very distinct ways, viz: "Consumer Demand" and "Consumer Acceptance."

Many salesmen too frequently emphasize only the Consumer Demand feature. Consumer Demand is supposed to cause the customer to rush excitedly into the store shouting, "I want Gazook's Pink Star Brand," waving a fistful of money in one hand and a copy of a publication in the other. Good advertising may be expected to produce a reasonable number of calls for the brand. But in the majority of cases, demand is not expressed vocally. Advertising does not work that way many times. Those who expect it to, expect too much. They are like the little boy on his first train trip.

It seems the lad was constantly sticking his head out of the window. His father, to frighten him, gently took his cap off, hid it and exclaimed, "Oh, your hat blew out of the window." The boy clutched his head, and sure enough his hat was gone. Then came the tears. The father feeling sorry for the lad said, "Now, I'll whistle and bring it back." Daddy whistled and quickly produced the hat. This was a great new sport! The boy gleefully threw his cap far out of the open window and shouted, "Now, father, whistle again." The boy expected too much, just as many salesmen and dealers expect advertising to induce a powerful, persistent, insistent, flood of Consumer Demand that will not be denied.

Consumer Acceptance, on the other hand, is silent. The customer will see "Gazook's Pink Star Brand" displayed in the window or on the counter, and nonchalantly say, "I'll take one of those." The advertising had acquainted him with the product and its merits. He wanted

it. He bought it. In many cases the customer himself will have forgotten just where he got the idea that the product was all right. He would scoff if one said that the advertising had sold it to him—but it did. The advertising caused him to accept the article, without question, feeling that it was worth the money.

The most successful salesman of the advertised line will not unreasonably overemphasize the number and insistence of the calls the dealer will receive for it. That is playing directly into the hands of the buyer whose standard objection is that he is *not* receiving calls for it.

The wise salesman explains the workings of Consumer Acceptance, the steady business-building force that works nine times, while Customer Demand is working once. He does not assume that the dealer is only a slot machine. He insists that if the dealer will do his part which is to offer the merchandise, the advertising will do its part which is to prepare the mind of the customer and save an argument.

Every thoughtful retailer knows the time and trouble required to introduce an article that is absolutely unknown to the buying public, unless it happens to be of a very staple nature. Any form of promotion that breaks the ice and makes the buying public familiar even generally with the leading features of the merchandise prepares the buyer to receive the article without argument—to recognize it as a standard product of its kind. Any advertising, therefore, that develops “consumer acceptance” to a real degree is valuable not only to the manufacturer’s salesmen but even more valuable to the retailer—provided the retailer does his part by putting goods where they can be seen and thus letting them link with what the consumer has already read about them.

Presenting Advertising as an Aid to Turnover.—Sometimes in selling well advertised and therefore well known goods the salesman is tempted to think—as occasionally dealers do—that if the company would eliminate or reduce advertising and give him a larger salary or commission the situation would be improved. Such reasoning might be carried further and the argument advanced that if the manufacturer would only eliminate traveling expense, hotel bills of his representatives, etc., and give the difference to the retail dealer, the retail dealer would be benefited. Those who advance such arguments overlook that mass production can be achieved only through the utilization of all legitimate forms of promotion. Advertising in many cases is one of the greatest selling forces.

By creating a real consumer demand or consumer preference the sales of goods are facilitated. Time is saved both to the salesman and to the retail dealer—if the goods are sold through retail dealers. Turnover is made easier for the retailer. It should be borne in mind that today the cry is for the carrying of smaller stocks and the speeding up of turnover. A little story about the conversation between two salesmen, related originally in *Merchandising Advertising*, illustrates this principle.

“One of the things I like best about selling a nationally advertised line, is illustrated by an incident which occurred today,” said Dave Jackson to me as we left the hotel dining room.

“What’s that, Dave?” I inquired.

“Today I landed Hickson, at the Progressive Store, after a hard session. I spent two hours with him drumming on our quality, our advertising, and the salability of our line. Finally he grabbed the proposition—hook, line and sinker. He was all enthusiasm.

“‘Well,’ he said, ‘now I suppose you want me to sign a gee-humpity big order?’

“If I’d been selling an unadvertised line, I sure would have been after just such an order—because my main hope would have been to load Hickson up to the gills so that he’d *have* to push the line to get into the clear.

“But knowing that our advertising really works, and that with the proper display and featuring of our line in his store a dealer can easily move the goods, believe me, it gave me a lot of satisfaction to come back at him like this:

“‘No, Mr. Hickson! I only want to send you enough of our goods on the first shipment to last you a month. Then I’ll make out another order to be shipped you a month later. I’ll see you again regarding the third month’s order.

“‘I want you to turn over your stock of our stuff every month. I want you to make twelve profits this year on your investment in our line.

“‘I certainly don’t want to load you up. There’s no necessity. Our goods really sell—as you will discover. I don’t get any credit at the home office for the *bigness* of an individual order. Everything is figured on the basis of a year’s volume. It is how much you sell in twelve months that counts for me.

“‘If I shipped you enough to hold you for three or four months, I’d be due for a calling down from the boss. He takes the attitude that we should encourage our dealers to turn over their stocks fast—minimum investments, frequent orders, maximum profits. That’s the way for a dealer to make real money, he says. We can assume this attitude because our goods are so well known, so well advertised, and so salable.’

"That sure made a hit with Hickson. It sold him on us stronger than ever—to have a salesman hold down the size of an order instead of trying to pad it. It gives me a mighty comfortable feeling inside of my anatomy to be able to talk that way.

"It makes a fellow glad that he is out for a firm that is doing a real job of advertising to really make people want the merchandise."

An Advertising Agent's Advice to Salesmen about Advertising.—The following paragraphs from an address by Gilbert Kinney, vice-president of the J. Walter Thompson Company, to a group of perfumery-manufacturers' salesmen contain helpful truths:

There is, at times, in the salesman's mind some little conflict between selling and advertising. This is all wrong because the salesman puts the product on the shelves and advertising is the greatest single force in taking the product off the shelves. If we start with this belief and understanding in the salesman's mind, we have made the greatest possible progress toward the position outlined in my topic of how to sell a salesman on advertising.

There is no competition here. Advertising helps the salesman because it widens the potential market for his product. His volume comes from repeat orders. The salesman, as a rule, is thinking in terms of the single sale only and our real problem is to make him visualize the volume possible in the future, the volume that advertising can build.

Today we have highly competitive conditions in almost all fields and a man cannot sell anything unless he has "something on the ball" to assist him in making the sale. He must have an advantage in price, quality or consumer demand. If he is just there with a good product there is not much business for him.

Salesmen have to be awakened to these things. I heard Will Hays once comment on the fact that even though each of us went up and down stairs in his own house several thousand times a year, no one of us could estimate, within three or four, how many steps there are. We take the stairs for granted and we never really stop to count the steps, and that is the attitude a great many salesmen have toward advertising. They take it for granted and never stop to analyze how it may fit in with their daily selling.

The Philadelphia salesman of one of our clients is a great believer in advertising. He says he is and I know he is. He says, "I always use advertising in my selling." But recently we sent a man around with him to visit a number of retail stores and during the course of the whole day spent in calling on the trade this salesman never once mentioned advertising, nor did any of the detail work of arranging for displays, taking the product and giving it better location in the store, etc.,—coopera-

tion that might have made advertising more effective. He believed in advertising—yes. But did he use it?—No.

When some one asked Frank Van Camp whether he thought one of his new products would go, he answered, "I have no doubt at all. I am morally certain it will go because I have sold it to my salesmen and they are the hardest crowd in the world I have to sell. If I truly sell them they will sell the world." And so, if we truly sell the salesmen on advertising to the point where they understand how it can function to increase their daily sales, we need not worry about their selling to the trade.

One of the great developments of the last few years, in selling, has been the appreciation of the power of unity in the selling drive—having all advertising literature, promotional work and selling developed along one unified, single selling policy. Whether there be five salesmen or fifty, they should all drive home the same central selling thought.

The Curtis Publishing Company is a good example of this. They started several years ago to talk dominant advertising and all-year-round advertising. Every Curtis salesman talked the same idea and eventually this gospel was accepted to the point where the Curtis Publishing Company carried \$50,000,000 a year in its publications. This was a tribute not only to the merit of the publications but to the power of that type of selling—a unified sales policy, with each salesman provided with the most effective selling arguments which the organization as a whole could develop.

The salesman must believe in advertising and he must go farther—he must believe in the advertising of his own product. That does not mean that he cannot be critical. We want to make him think, and we want him to feel that his angle is important in the determination of advertising policy, but in the final analysis he should accept and be enthusiastic about what is determined by the executives of his company in his advertising as well as in his product.

I heard one man say to another in a vaudeville skit, "Why are you scratching your head?" and the second man replied, "I am the only one who knows where it itches." That is true also of the salesman. He finds resistances that people in the executive offices or in the advertising agency may not be acquainted with and it is his duty to bring these conditions to their attention. If we can make him understand that advertisements today are not mere matters of inspiration or cleverness but are built to meet conditions, and that a part of these conditions is the resistance which the salesman may face with the trade, it is here that he can make contributions and to that extent become a part in the creation of the advertising and selling plan.

How Hosiery Salesmen Were Convinced of the Value of Advertising.—The salesmen of the Everwear Hosiery Company, like many groups of salesmen, were doubtful about the value of advertising as an aid in the distribution of the com-

pany's branded product on which so much money had been spent. So some unusual measures were resorted to in order to convince the men. For example, an assortment of the regular brand of Everwear hosiery was put up in attractive boxes under the name of "Progressive." The star salesman was coaxed off of his route and offered this "Progressive" brand to sell at a much lower price. The substitution was kept secret. This star man, whose sales had been averaging \$1,800 a week, snatched at the opportunity. In one week he turned in orders amounting only to \$241. When he got back to the office, he accused the Everwear Company of "putting up a job on him!" The "Progressive" was a "rotten, good-for-nothing hose, that the best salesman in the world couldn't sell." Now Everwear salesmen are staunch believers in advertising.

(*Printers' Ink Monthly*, vol. 2, no. 4.)

Encouraging Salesmen to Hammer Home Advertised Arguments.—The points that are exploited in well planned advertising are usually the result of research and much thought. They are the points that the men behind the advertising plan have selected as those that can be most easily impressed on the reader and most likely to be remembered by him. Something in the way of organized effort is gained by encouraging salesmen to repeat and impress this advertised information and argument.

This may be done better by letting the salesmen do it in their own way. Many salesmen, if left to do it their own way, give the matter no attention whatever. Hence, some companies have gone to the other extreme. The American Tobacco Company, for example, insists that salesmen give a standardized talk and demonstration based directly on the advertising of the company.

Through the development of its accumulated knowledge the company has formulated an established argument for every brand and a standardized method of demonstration. The company has not sought to destroy personality but insists that certain arguments and information be memorized.

The salesmen of this company move on a regular schedule. Each man knows every day just which customers and prospective customers he is to see. The immediate superior of that man knows where he is at any given time. In the 700 sales zones the American Tobacco Company arguments are repeated essentially word for word as planned.

An American Tobacco salesman enters a store with display kit in hand. He opens it and arranges his samples according to the standardized plan. An alcohol lamp occupies the center upon which is an open tin cup. While talking, the salesman opens a can of Lucky Strike tobacco, puts a quantity in the cup and holds it under the dealer's nose. "You have seen our advertisement for the Lucky Strike cigarette," he says. "You have seen the expression 'It's toasted.' Do you know why we use it, or what it means? It is to develop the flavor, and seal it in. You don't eat raw meat, Mr. Smith, you don't drink raw coffee. You prefer toast to soggy bread." Meanwhile the tobacco has been toasted, and is again held under the dealer's nose. The fragrant aroma is unmistakable, and the dealer is usually impressed.

(*Printers' Ink*, vol. 116, no. 8.)

VALUE OF SALESMEN'S AND DEALERS' VIEWS

One manufacturer, who has been remarkably successful in getting retail dealers to use electrotypes that incorporate some of the selling points of his products, attributes his success largely to the fact that he corresponded with hundreds of dealers and asked what kind of advertising plates they preferred. When, therefore, he put out his proof book of plates he exploited it as a catalogue of "the kind of advertising the dealers themselves said they wanted."

Another manufacturer of a staple product adapted to a great variety of uses consulted retail dealers before making up his schedules for local newspaper advertising. The dealer advised what subjects he thought would be most effective in that particular locality. Even if the dealer were not altogether right in every instance, the fact that his views were

asked and that the schedule represented his views to some extent made him take more interest in the campaign.

The cooperation of salesmen may be gained likewise by asking their views about certain forms of advertising. Sales and advertising managers should be cautious and not promise, even inferentially, that the campaign will be mapped out strictly along the line of the salesmen's views, for salesmen may be biased and express views that are purely personal instead of reflecting the attitude of dealers or consumers of the article. As a matter of fact, salesmen may be perfectly competent to express an opinion on some forms of advertising, but utterly uninformed and incompetent to approve or disapprove other forms.

SECTION XXIII

SALES PLANS AND CAMPAIGNS

CREATING A SALES PLAN

It is one thing to assemble all the obtainable facts about the sales possibilities of an article or a business, and quite another to create and put into effect a sales plan that will have more than a fair chance for success.

In most fields that are worth while, there are already commodities and business organizations that are to some extent established. To change the buying habits of people; to induce the retail trade to take on a new article and to cooperate in pushing its sale; and to organize a sales force that will do effective work at a fair sales cost with wholesalers, retailers or consumers, is a real man's job. Should the manufacturer or merchant conclude that he will not attempt such a job but will work for direct sales through the mails, he will find that here, too, is a real undertaking requiring merchandising skill and unlimited energy and patience, to say nothing of capital.

Value of a New Practical Selling Plan.—It was no great feat for the Larkin Company in its early days to make soap and to buy coffee, tea, spices, etc. It required no large experience to advertise for agents and to get a few people to undertake to sell some of the Larkin goods by working among their neighbors.

But to develop the premium-and-club plan by which a woman would form a Larkin Club among her acquaintances and get each of the twelve to order a dollar's worth or more of goods each month, thus enabling the company to get a definite monthly order that would bring the club-former a premium, was the work of a master merchandising mind.

There are many people who could write advertisements that would sell a few books by mail, but the man who conceived the coupon form for ordering on approval, who offered to

send sets of books on this plan to any responsible person and let him promise either to "return the set in ten days or to pay for it at the rate of \$4 a month" established a new era in book selling.

The man who adopted the plan of sending housekeepers a free sample of coffee, sufficient for half a dozen cups, in the delivery baskets of the grocer, along with a catalogue of the premiums that could be obtained by the regular purchase of this coffee, found a plan that doubled the sales of his coffee.

It may not be absolutely essential to create a novel selling plan. Meritorious goods may possibly be successfully marketed if the producer or retailer merely proceeds along the usual routine lines and keeps at the job long enough, but it is worth while, before putting any sales campaign into effect, to give much thought to the question of "What would be the most effective plan for marketing this product?"

Appeal of Distinctive Features.—A hosiery manufacturer created a sensation in his field when he began selling the Holeproof brand, with a definite guarantee against the hosiery wearing through within a certain period. It was argued by competitors that the hose sold were no better than other hose of good quality, that the advertising cost a great deal of money, that the public paid a high price for the guarantee, and so on. It is not possible here to pass judgment on the merit of these criticisms. The point is that by creating a new and distinctive selling plan, the manufacturer found it easier to sell his product, both to dealers and to the consumer. It is said that the percentage of return by consumers because of the failure of the hose to last as long as guaranteed was very small. Eventually, this manufacturer changed his appeal and featured his goods as possessing unusual beauty, but there can be no question about the sales power for a number of years of the guaranteed-against-holes idea.

In like manner, the first tire manufacturers who sold their goods with a definite assurance of mileage scored strongly.

Most plans of this kind are effective only when new. When half a dozen or a dozen manufacturers are offering similar goods on the same plan, the offer to the public—or to the dealer—is commonplace.

On the other hand, some new sales ideas are so fundamentally strong that they may be used successfully almost indefinitely. The plan of selling books on approval, at from one, to five dollars a month is in this class. Scores of publishers may be using the plan and yet it is effective for all.

Premiums, Bargains and Discounts.—The day has passed when consumers buying at retail expect the merchant to throw in a cravat with the purchase of a suit, or a bat and ball for the small boy when his mother buys him an outfit of clothing. Yet the premium idea or the bargain offer continues to have its strong appeal. The publisher who offers, along with a year's subscription to his magazine, an atlas of the world finds that this extra inducement is just the thing to bring sales up, notwithstanding that subscriptions secured in this way may not be worth exactly as much as the subscriptions of persons who pay the full yearly rate of a magazine because they like it.

Discounts and special prices good only during a certain day, week, month or other period continue to be effective for many business enterprises, despite the fact that these expedients are greatly overworked.

Sales of sets of books with "slightly damaged covers," shop-worn articles, odd sizes at special prices, 10-day sales, monthly sales, hourly and daily sales, sales of limited quantity to a purchaser—these are all variations of the bargain idea which find their way into general and retail selling practice.

On the other extreme are the exclusive sales, where the manufacturer or merchant offers only a limited number of the article and uses the limited number as a sales reason. Sets of books are issued in special binding, only one hundred or five hundred copies being prepared that way, perhaps bearing the author's autograph.

Cloaks and suits are bought on the plan of offering in a given community only one of the same pattern or style.

Introduction of New Plan on Old Commodities.—Insurance as plain insurance is a meritorious product or service, and yet it never enjoyed its deserved popularity until the loan- and cash-surrender values, extended insurance plan, the endowment feature, the monthly income feature and the indemnity for disability, were introduced.

The introduction of the club plan proved to be a real force in the selling of kitchen cabinets. So did the Christmas and Vacation Club ideas in connection with savings-bank accounts. While there were no really novel features in connection with these clubs, the plan was something different from the routine way of buying a cabinet or building up a saving account and the difference was just enough to win success.

REVIEW OF MERCHANDISING METHODS AND SOME EFFECTIVE SALES PLANS

Sales planning involves organization, research, securing, training and directing salesmen, as well as other essentials of successful promoting. These topics are reviewed specifically in other Sections of this volume. It is the purpose in this Section to review a variety of methods, offers, or plans that have possessed an attractive appeal to buyers and, finally, to outline several successful sales programs or campaigns.

Selling on Approval.—The approval plan is often a factor of tremendous importance in the making of sales. Its advantages may be summed up as follows:

1. Offering to send the goods to the customer's place of business or to his home and letting the decision be made after further deliberation or trial frequently relieves the prospective purchaser's indecision and at the same time shows the salesman's confidence in his product. Such an offer makes it hard for the prospective purchaser to say "no," if he has considered the product at all favorably.

2. Buying on approval, like buying on credit, is easier. It often facilitates a sale because the article may be viewed by friends and acquaintances when delivered to the prospective purchaser.

3. When the prospective purchaser sees the article in his home, plant or office, it is likely to look more attractive and useful. It may appeal to his pride of ownership. Like a small boy, he becomes attached to it and prefers not to send it back. His employes or his family may favor its purchase. If the article itself is of distinctive value or service, the chances are that it will be retained.

The weaknesses of approval salesmanship are the following:

1. The salesman may rely too much on the probability of the article selling itself and fail to review its points convincingly or to demonstrate its service thoroughly before the customer gets out of his presence. The lesson is, even if goods are sent freely on approval, not to neglect giving the most effective canvass.

2. Goods left too long on approval may lose their attractiveness. The prospective customer takes second thought, decides to get along without the purchase and notifies the manufacturer or merchant to call for the shipment. The corrective is: leave approval shipments in the customer's hands only for a short time. Follow up quickly. In other words, strike while the iron is hot.

3. Goods sent on approval are frequently sent back soiled or worn and it is difficult to do anything about such damage. Therefore, because of this and because of the fact that clothing may be the means of transmitting infectious diseases, many merchants limit approval purchases to certain kinds of goods.

4. Approval shipments make fraud easier. Yet all statistical work on the subject of fraud shows that a decided majority of people are honest and that with a little precaution, any merchant or manufacturer can reduce the cases of fraud to a small percentage. Montgomery, Ward and Company have stated that their record over a period of several years indicates that only about one-eighteenth of one per cent of their customers attempted fraud.

Herbert D. Shivers, Inc., a firm that sells cigars by mail on approval, finds that less than 1 per cent of people will refuse to pay for the cigars or fail to return them. However, the Shivers concern asks that the inquirer order on his letterhead or send a business card. This automatically eliminates the mischievous inquirer. If the inquirer does not supply the information required, the advertiser looks up the name in the commercial rating books. If these afford no light, the prospective customer is asked pleasantly what firm he is identified with.

Sears, Roebuck and Company's Plan.—The following form (Exhibit 189), used by Sears, Roebuck and Company in selling the Silvertone Phonograph, indicates the means used by this

well known concern in assuring fair treatment on approval shipments.

Date.....192

Sears, Roebuck and Co.

You may ship me Catalogue No. Price \$
 in finish, without any obligation on my part to keep and use it unless
 (Specify finish)
 I am satisfied at end of trial you allow.

Enclosed is deposit of \$ you require with order, which is to be used in
 part payment at end of trial if I am satisfied, or returned to me, after the trial ends, if
 I do not keep the shipment.

Should I decide to keep the shipment at end of trial, I will pay \$ each
 month, as required by your terms, until I have paid in full. Then it becomes my prop-
 erty, otherwise it will be returned to you at your request. If I am dissatisfied at end
 of the trial, I will notify you and when you give me instructions I will return the ship-
 ment at your expense. Then you are to return the deposit, also the transportation
 charges I paid, if any, when I received the shipment.

Sign Rural Box Street
 Here.....Route.....No.....and No.....
 (Sign your name here plainly and carefully. The HEAD OF HOUSEHOLD should
 sign order)

Post office..... County..... State.....

Shipping
 Point..... County..... State.....

I have been located If less than 5 years in
 at the above the above town, give Own, Rent
 address since..... former address..... or Board.....

My business, profession
 What is your age?..... Married?..... or occupation is.....

Are you How long with Weekly
 now employed?..... present employer?..... earnings, \$.....

Name and Address If ordering phonograph, do
 of Employer..... you wish shipment made
 by freight or express?.....
 (State which)

If farmer, how large Name of owner
 is your farm?..... Acres. of farm.....

If a farmer, or in some occupation for yourself, Monthly
 please tell us what means you have to enable you earnings
 to send payment regularly every month..... or income, \$.....

Signature of the How far do you live
 HEAD OF HOUSEHOLD..... from railroad depot?.....

GIVE NAMES OF TWO REFERENCES (L)

NAME	ADDRESS	BUSINESS OR OCCUPATION

Please be sure to answer all questions so that we will be fully enough informed to
 enable us to arrange for prompt shipment. If there is any additional information you
 would like to give, you may write it in a letter and send with the order.

EXHIBIT 189.—Form that enables a well known mail-order firm to be satisfied
 of the responsibility of a customer ordering a phonograph on approval.

Originally Sears, Roebuck & Company shipped phonographs on approval, requiring no advance payment, but they have evidently found it better to require a small deposit as assurance of good faith. In the days when no deposit was required the order-form contained this pledge:

I always have been faithful in paying my obligations and am making this statement to induce you to grant me these terms, and I give you my pledge that you may feel safe in trusting me to pay as agreed.

Another mail-order firm puts the following explanation alongside of its questions about the customer's position and references.

Don't Feel At All Strange

This is the only paper you need to fill out to take advantage of our wonderful Congoleum Rug offer. We have told you a great deal about ourselves; we ask these few questions just so we may know you a little better. Then in the future all our dealings will be just the same as between friends.

Answer these simple questions and write plainly, and then your rugs will be shipped the same day your order is received. We absolutely guarantee that this information will be kept strictly confidential. Nobody outside our office will ever see this order blank. In spite of the fact that our customers even refer their friends to us, we never mention our customers' names to anybody. We never write your friends, neighbors, or employers about anything. Our whole business and our entire plan is arranged to keep you from being embarrassed, to save you the least bit of annoyance.

If there is anything else that you would like to tell us, do so in your own way. For instance, where you work, or how much you earn, or places where you trade.

The purchaser on approval does not ordinarily object to giving references and most people will pay before suffering the embarrassment of having their references receive a letter about them.

Forms of Approval Selling.—Approval selling may take various forms:

1. Sending the goods without requiring any part of the price to be paid in advance.

2. Asking the inquirer to send a nominal amount, a dollar or five dollars, as a guarantee of good faith, balance of the purchase price to be paid when he has examined the article and has become fully satisfied with its value.

3. Payment of the full purchase price, the seller binding himself by his advertisement, a letter, or other form of agreement, to hold this money in trust and to refund every penny of it if the purchaser is not entirely satisfied. This, in fact, amounts to cash selling with a vendor's agreement or guarantee attached, but it can be so set forth as to have something of the nature of approval selling.

4. Requiring a small deposit, or no deposit, but sending goods by mail or by express, the amount due to be collected on delivery.

Approval selling, in combination with the instalment plan, or "deferred payment"—as many prefer to call it, because of the prejudice against the phraseology of "instalment buying"—forms an effective method of selling that often turns the balance between failure and success.

Study of Group in Connection with Approval Offer.—Not all groups of purchasers are equally reliable in approval selling. A list of well known live-stock fanciers, for example, would contain few poor risks. On the other hand, a publisher who offered a book on the employment problem, through the classified columns of newspapers, found that more than a third of the inquirers would neither pay for the book nor return it. Here, however, the vendor was dealing with many people out of employment who evidently had less to lose in the way of reputation than a person holding a good position.

Tests should be made before offering goods on approval on a large scale. It may be discovered, for instance, that even though a small percentage of shipments are returned damaged and must be destroyed or sold at reduced rates, or the percentage of bad accounts is measurably increased, the additional sales made possible through the attraction of approval buying may make such a total that the approval plan is justified.

Week's Free Trial of Product as Sales Boost.—A prominent manufacturer of automobile lenses has found that offering, in his national advertising, to have prospective users try his product for a week, without obligation or cost, has greatly increased sales.

This offer appears in the advertising in the form of a coupon, which, when torn out, signed, and presented at the local dealer's, entitles the holder to have put on his car the lenses in question.

In making this offer, the manufacturer went a long way with the dealer in assuming responsibility in a case of loss. For example, if the car-owner kept the lenses without paying for them, the dealer could be reimbursed for their cost by simply sending in the signed coupon to the manufacturer. This was not often necessary, however, as most automobile owners either paid for the lenses or had them removed at the end of a week's trial.

The responsibility that the dealer assumed was that of putting on the lenses and taking them off, free of charge, in those cases where no sale resulted.

Sending Goods on Consignment.—Some large wholesalers of standard articles of clothing adopt the method of allowing their dealers to purchase goods on consignment, provided the goods will be offered for sale at a certain price during a given time, and provided no other make of goods of a similar nature will be offered for sale by the dealer during the sale of the goods sent on consignment.

The value of this plan for the dealer lies in the fact that he is enabled to get a very large assortment of sizes, styles and patterns of material, with the privilege of returning to the manufacturer or wholesaler all unbroken packages which he may have left on his hands after the sale is over.

To assist the dealer still further in making the plan a success, in which, of course, the wholesaler is vitally interested because he does not wish to have a lot of the goods returned to him, the wholesaler furnishes advertisements, plates, etc., all ready to run for any dealer who is willing to work with him on such a plan.

Through this plan a large department store of Chicago is said to have disposed of 20,000 men's shirts in a week. Corresponding successes are to the credit of dealers in other cities.

Premiums as an Aid to Selling.—Most people with a reasonable amount of experience in business know the history of trading stamps and the methods of such stores as the United Cigar Stores, where premiums have been used as an aid to the making of sales. The objections to the premium system are that it is better salesmanship to confine attention to the real article to be sold and that the giving of premiums is appealing to the desire of many people to get something for nothing. It is, nevertheless, true that many large sales totals have been built up mainly through the premium idea. A conspicuous instance of this is the Larkin Company where many valuable kinds of premiums are given along with club orders.

Employers often use premiums to advantage as a reward for sales effort. Publishers, for example, have been able to get work done in the selling of subscriptions that probably would not have been arranged for on a cash payment plan, by offering attractive premiums. The secret of this is that the premium often appears to be a much larger reward than its cost. The premium that cost seventy-five cents may be valued as highly by the earner as if it had cost several dollars.

Some progressive retail merchants who are not favorable toward outside premium plans have established their own premium departments, giving profit-sharing certificates and thus maintaining control of premium plans.

Lecture or Demonstration to Aid in Securing Subscriptions. A group of men interested in selling a 3-lecture course in the improvement of the memory have adopted the simple but effective plan of going to a city of fair size and offering to give a free talk of a few minutes and an interesting demonstration of trained memory before the Chamber of Commerce, the Board of Trade, the Rotary Club, Kiwanis Club, or some other such organization. Frequently, they appear before several of these organizations in the same community, where it happens that two or more of the groups meet in one week.

The representatives bring with them letters and clippings that show how successful their feature was in nearby cities. The short talk and demonstration given by these men is really very entertaining and creates considerable talk. Often valuable publicity is given in the newspapers in connection with a report of the meeting of the local organizations. This introduction paves the way for representatives of the memory institute to solicit leading business concerns—especially banks and firms employing salesmen—to have their employes attend the course of lectures for a fee of ten dollars.

Selling in Sets.—Many sales totals have been largely increased by selling articles in sets. The number of products lending themselves to the set idea is large. For example, the housewife often buys nests of pans and kettles. Even thermometers have been sold in sets, and manufacturers of fishing baits have lately begun offering a desirable variety of baits in sets. For many years retailers have been successful in selling camping sets, through the grouping of several articles certain to be needed on a camping trip and selling the set at an attractive price of \$30 to \$150. While books have always been sold in sets, the idea of obtaining a set of books on a given subject or by a favorite author in a uniform style of binding and at an attractive price, has grown greatly in popularity during the last dozen years. Even magazine subscriptions are sold on the club or set basis much easier than they are separately. The list might be drawn out almost indefinitely.

It seems to be human nature to avoid the trouble of deciding about an assortment by buying something already made up, hence the popularity of the club breakfast, the special assortment of talking machine records, and so on.

Undoubtedly, overhead costs can be largely reduced by a little ingenuity in the making up of attractive assortments of goods, for it seems just as easy, often, to sell a well planned set of useful articles as to sell a single piece.

Demonstration Service for Increasing Distribution.—A manufacturer of fine china used, as a means of increasing sales during 1922, a demonstration tour among the large cities in which the concern has dealers.

Briefly, the plan was this: the expert demonstrator of the manufacturer called on the dealer for a two weeks' stay, during which time she agreed to take one of the dealer's own saleswomen and train her for a two weeks' demonstration of the manufacturer's products in the dealer's own store. The manufacturer voluntarily assumed the responsibility of paying the salary of the demonstrator for the two weeks' demonstration; supplied the dealer with electrotypes, advertising copy, etc., for advertising in local newspapers, and furnished a very attractive new tea set to be used during the two weeks, provided the dealer, on his part, arranged a suitable space for the demonstration, used the manufacturer's publicity aids, and bought merchandise amounting to a certain figure.

It was also the idea of the manufacturer to have the expert demonstrator appear before local cooking schools, domestic science classes, etc., and thus arouse local interest in the dealer's demonstration.

Tour of Machinery Caravan.—*Marketing*, Toronto, Canada, records an instance of where three noncompeting manufacturers of farm machinery cooperated in a caravan tour. The group included a caterpillar tractor, deep tillage and heavy cultivation tools and plows and a large motor truck with trailer. A route was mapped out over a large district and the caravan arranged so as to have a little bit of the circus and side-show appearance. A part of the equipment was a tent, folding table and folding chairs, so that a field office could be set up easily. Naturally, photographs, advertising literature, etc., were carried.

An advance man traveled a week or ten days ahead of the caravan to arrange demonstrations. This man also attended to display advertising and news items in local papers. Particular attention was given to inviting local bankers to the demonstration, because it was recognized that very often the farmer, in making purchases of new equipment, would have to call on the local banker for a loan. Instead of selecting a spot in or very close to a town, the caravan would be located a mile or so away, to eliminate attendance by persons who really had no interest in farm machinery. It is said that in three months' time a demonstration was made by this organization

to 12,000 farmers and that resulting sales made the undertaking a profitable one.

Changing from Bulk Containers to Small Packages.—Wallace and Company, candy manufacturers, stimulated their entire business by taking gum drops from the line of staples and featuring them in packages under the name of "Gummies." The old-time popularity of this product had been decreasing because competing firms attempted to make sales in bulk through price reduction. The result was that quality suffered and sales decreased. Attractively put up in packages suited to the varying seasons, such as Christmas, Easter, Fourth of July, etc., "Gummies" have found a ready sale.

(Summarized from *Printers' Ink*.)

Exploiting Furnace Service to Get Chicago Business.—The Holland Furnace Company, of Holland, Mich., in about two years increased their group of ten representatives in the Chicago territory to two hundred and seventy-two with twenty-three service branches, by paying special attention to customer service.

An example of such a service was a special event in 1922, when the company illustrated very practically its slogan, "Holland Furnaces Make Warm Friends." Owners of Holland furnaces had them cleaned by the company without charge. The usual cost for this work is from \$5 to \$10. In Chicago there were seen, in hundreds of windows of those who had had their furnaces so cleaned, small cards telling the passerby that they were Holland furnace owners.

In concentrating on the Chicago market, this company used full-page newspaper space. The salesmen sent out from the service station to canvass each house carried reprints of the newspaper advertisements and other literature.

(*Sales Management*, October, 1922.)

Cloth Company Gives Publishers Free Publicity.—The Interlaken Book Cloth Company has found an effective part of its selling campaign to be that of exploiting, at its own expense, books bound in Interlaken Cloth. This manufacturer makes up a list of the books of various publishers that have been

bound in Interlaken Cloth. The list is exploited as "The Interlaken Library" in the literary sections of such publications as the *New York Sunday Times*. As might be expected, this publicity feature is brought sharply and frequently to the attention of book publishers generally.

Stickers on Coffee Packages to Advertise Rice.—A wholesaler who sold 60,000 packages of coffee a year met with opposition from the dealers when he wanted to introduce packaged rice. The dealers held that they made a little more profit on rice in bulk. Finally, the wholesaler pasted good-looking colored stickers advertising the rice, on each package of coffee, and saw his sales increase 50 per cent. in a single month. The opposition of the dealers fell away. Some of the dealers balked at the scheme at the outset and threatened to discontinue buying the coffee, but the brand was very well known and the threats were not carried out to any noticeable extent. The stickers cost only 20 cents a thousand.

(Marketing.)

Selling Trial Size Often Helps.—The method of offering a sample or special trial size is occasionally very effective. This method is not of course practicable with many kinds of merchandise but has possibilities with such goods as food products, soaps, dentifrices, shaving creams, and medical and toilet preparations generally.

Where a trial quantity is likely to produce a favorable impression, this may prove to be a highly effective method of selling. Without a sample, a great deal of oral and printed information and argument may be necessary to overcome the consumer's resistance or apathy toward the product. If resistance can be more easily broken down and a receptive attitude created through the use of a sample, then, obviously, the trial-package plan is the one to adopt.

More Sales through the Employment of a Technical Expert.—One firm making an engineering specialty has found that an engineer or other technical man employed to call on users of the product as a service man is a very valuable aid in increasing sales. The expert gives instructions generally and makes suggestions for improvements. He introduces himself as a service man and thus opens his opportunity to give advice

that is appreciated. The result of his suggestions is a steady stream of orders for additional equipment. This man works through the jobbers and makes an excellent impression on the trade as well as bringing about additional purchases of the products.

Service in Selling Wall-paper.—After making a study of walls and wall-coverings for a period of years, a Canadian wall-paper manufacturer came to the conclusion that in buying wall-papers more people are actuated by good taste than probably any other motive.

This manufacturer introduced an advertising campaign featuring the free consultation service of specialists trained in the developing and creating of harmonious and pleasing effects.

In writing these appeals, care was taken not to create the impression that the householder is lacking in good taste or knowledge of color harmony. As a matter of fact, stress was laid on the fact that those possessing these qualities more frequently availed themselves of the service of the experts than any other group.

In addition to having experts at each of his retail stores, this wall-paper maker puts out an attractive folder, large enough to show designs and colors of wall-papers, rugs, hangings, etc., and furnishes his dealers with style books.

The advertising campaign, coupled with the folder and other literature, has been decidedly successful. Hundreds of orders and inquiries are developed by the folders alone, while the investment in the experts' service has proved to be one of the best features the manufacturer has ever introduced.

(Summarized from *Marketing*.)

Value of a Distinctive Container.—A molasses manufacturer has been aided greatly in his sales by a container that is in the form of a pitcher. This makes it easy to pour the molasses right from the container, and later when the container is empty it may be used for other purposes. The product is advertised prominently on the container so that the latter serves a double purpose.

Moving Picture as Aid in Opening New Territory.—The manufacturers of Spremit Nut Margarin were successful in

opening new territory in which they had never sold a pound of their product, by tying up their demonstration in a department store with a moving-picture film running in a local moving-picture house. The demonstration was featured in a series of newspaper advertisements in which it was explained that free tickets for this moving picture would be given with the purchase of three pounds of the margarin.

The film dealt with the manufacturing of the product and did much toward breaking down a prejudice which existed because the average person did not know the actual ingredients of the product. The manufacturers furnished the film and succeeded in having it run in moving-picture houses without charge. In some cases, however, it might be easier to induce a moving-picture house to show a film by enlisting the aid of a local dealer.

(Printers' Ink, February, 1922.)

New Color for an Old Commodity.—A survey of the school market by the manufacturer of a high-class series of fiber products revealed the fact that school blackboards were all black, but that the materials of which they were made varied greatly in quality, some being nothing more than plaster painted black.

Convinced of the practicability of his fiber-board as a blackboard material, this manufacturer set about to discover some appeal that might help overcome the natural prejudice that might exist in the minds of the public against such a blackboard, and he at last hit upon the plan of having his blackboards made up in a restful, soft shade of dark- or olive-green. He then made the color of the boards the keynote of his campaign, so that the soothing, restful color could be featured from both the standpoint of the teacher and that of the pupils.

The campaign was one of direct advertising and was centered on the country and small-town districts, the belief being that slate blackboards were too strongly entrenched in the large city schools to make a campaign there successful. School supply houses, school boards and trustees, as well as the teachers themselves, were appealed to. Supplemental to

the direct advertising, a moderate campaign was run in small magazines, directed to teachers, with the result that the manufacturer was enabled to build up a good market for his product in the school field.

(Marketing.)

Postal-card Canvass to Aid Concentration.—One manufacturer of mechanical devices overcame the fault that salesmen so often have of concentrating effort on three or four products at the expense of other equally marketable and appealing articles, by conducting an eight weeks' postal-card campaign on the customers of the salesmen. These cards were mailed once a week, and read:

“Be sure to ask our representative when he calls aboutand.....,” naming two products on which sales were not up to a satisfactory total.

These cards did their work so well that at the end of the eight weeks the salesmen had all formed the habit of making an aggressive canvass on these articles, so many questions had they been asked about them.

Use of Service Stations to Give Quick Service.—The Gaw-O'Hara Envelope Company, of Chicago, uses a “service station” plan in its city sales work in order to give unusually quick service to customers.

Each salesman is required to use certain points in his territory as service stations and must inquire of the factory at frequent intervals daily for messages, just as newspaper reporters or policemen call up their headquarters. With such a system, the company can render service post-haste and often makes a sale long before a competitor can get its salesman to the customer. For instance, there may be a telephone request for prices and samples on a large quantity of envelopes and the information may be wanted at once, perhaps before some business conference adjourns. The first salesman who telephones headquarters after this call comes in is requested to wait at the service station for the boy who will be sent on a motorcycle from the factory with the requested samples and price quotation.

This speedy service has met with great approval by dealers and is an incentive to salesmen who know they lose the chance of a sale if they fail to call the factory regularly.

(*Sales Management*, October, 1922.)

Getting Full Cash for Time Payments.—A plan that has been successful with firms who get distribution through house-to-house canvassers is being adopted by a Canadian maker of washing machines with his dealers. The machine is sold in the ordinary way on the 12-monthly-payments plan to the consumer. Using figures for Ontario, the cash price is \$155. This will be \$172.20 as sold on the 12-monthly-payments plan. The dealer receives a cash payment of \$10.20 which he retains. He forwards the firm the lien contract providing for 12 monthly payments of \$13.50. On receipt of this, the firm remits to him \$128.60 and sends him a deferred payment certificate for \$16.20, payable on receipt by the manufacturer of all monthly instalments. By this plan, the dealer receives the full cash price of the machine while giving his customer the advantage of time payments. One claim for it is that the more the dealer sells the more capital he will have to conduct his business. The manufacturer makes the collections. The dealer merely endorses the note as a guarantee of the purchaser's credit standing.

(Summarized from *Marketing*.)

Getting the Dealer's Name.—In order to overcome the disinclination of so many people to write more than their names when filling in a coupon in an advertisement, particularly when asked to give their dealer's name and address, a firm of varnish manufacturers printed a coupon with the following offer: "For thirty cents in stamps we will send you enough varnish to finish a small table or chair. Or, if you will write your dealer's name on bottom line you need send only fifteen cents for sample can." This plan of paying the public to be his trade investigators proved exceedingly successful.

(Summarized from *Marketing*.)

Correspondence Course Helps to Sell Feed.—Increase in sales was accomplished by a feed manufacturer through offering a 50-lesson correspondence course in poultry farming to all purchasing this special line of feed for the first time. The return of a coupon in an advertisement signed with the purchaser's and the dealer's name was required. The course is a first-class one and gives the manufacturer an opportunity to tie up his product with its direct use.

Showed How to Make Things with Glue.—When one glue manufacturer told the public that his product could be used to make a number of attractive articles and explained the way to make them he was rewarded with much larger sales than when he featured only the mending qualities of his product.

Sending Dealer Helps Addressed to Manufacturer's Salesman.—One manufacturer finds that he can have greater assurance of the use of his dealer helps by addressing all packages containing such material to his own salesman in care of the dealer. The salesman regulates the time of his call so that he will be on hand shortly after the arrival of the package. In this way, he can explain the purpose of the material and in many cases see that some of it is put into immediate use.

Organizes Bands and Sells Horns.—One manufacturer of musical instruments found a ready sale for his product by supervising the organization of community bands and orchestras as well as like groups in plants, and offices.

Expert Aid in Floor Finishing.—A manufacturer of floor wax is now sending out an expert to large centers. This man offers to assist anyone, without charge, with any problem in floor finishing. His presence is announced through the newspapers, but no attempt is made to tie up the advertisement with the sales of any one dealer.

VALUE OF THE TESTIMONIAL IN SELLING

How Testimonials Are Secured.—Every concern marketing any product which has merit will receive a certain number of unsolicited testimonials, but these may be general or have features that make them undesirable as a selling aid. It is usually desirable to write to a satisfied user of a product or service, asking pointed questions, so that the reply may

be definite enough to be of real value. This method also makes it possible to get testimonials from different sections of the country and from well known firms or individuals.

Many times an executive of a firm or an individual purchaser will show reluctance about giving a testimonial. This is often overcome by submitting a statement or a rough outline and asking if he will be willing to sign it. Salesmen may be of inestimable value in securing expressions of opinion from pleased customers and users of products and services. They have the advantage of being right on the ground when the product or service is discussed and, if certain features or the economy of the article is commended, the salesman can aid his firm by getting a written statement, to be used in selling work generally.

The Kind of Testimonials That Bring Results.—To be effective, an expression of opinion about a product or service should be specific. If the user can be induced to give his reasons for liking the article, so much the better from the point of view of results to be secured by using his testimonial as an aid in securing other sales. Then, too, wherever possible, the testimonial should be "localized." That is, the salesmen should be taught the value of using in a certain community or locality testimonials from users in that particular vicinity, and of course the more prominent the user, the more highly his opinion will be regarded. It stands to reason that a farmer in Cumberland County, Va., will be much more likely to be impressed by what some other farmer in that county may have to say about a certain tractor or other piece of farm machinery than he will be by an expression from a user away off in Pennsylvania or Iowa—some one whom he never heard of before, whose reliability and judgment are unknown to him and who may be working under different farming conditions. For this reason many firms make a practice of keeping testimonial letters indexed geographically as well as according to subject or product.

Value of Underscoring or Emphasizing Certain Expressions. Because of the difficulty of getting long testimonials read, it is a good plan to underscore in red or blue pencil, or to draw a line around certain particularly good sentences or

paragraphs of a testimonial letter that is lengthy. This not only serves to draw particular attention to these marked passages, but also increases the curiosity of the reader to such an extent that he is often induced to read the entire letter.

Photographing Testimonial Letters.—Where it is not possible to show the original letter to prospective buyers, good results may be obtained by having photographs made of the entire letter and using these instead of a multigraphed copy.

The photographed copy seems more like the real thing. Indeed, some of these photographic processes present a very pleasing, artistic result and add to, rather than detract from the appearance of the testimonial.

Supplying Salesmen with Portfolio of Testimonials.—There is much to be said in favor of the binder or portfolio of testimonials for the use of salesmen. First of all, if made up in this manner the salesman cannot but be impressed with the material and thus be more likely to make use of it. Then, too, a whole book of testimonials gives a much wider range and enables the salesman to refer to specific instances and to quote letters from users in widely separated districts. To be of maximum usefulness to the salesman, such a binder should be carefully indexed geographically and as to selling points covered. This may be done by numbering the letters as they are placed in the binder, with a separate subject index.

When given such a book, the salesman should be impressed with the fact that good results can be obtained only by his picking out specific instances or testimonials and using these where they fit, instead of allowing the prospective customer to take the book and turn to a page at random. For example, if the proposed buyer is interested in the time-saving element of the proposed purchase, the index of the salesman's binder should be so complete that he can refer to "Time-saving" and give the prospective customer some real, specific answers to his question. It makes it much more certain that the customer will be willing to read what is put before him if the testimonial bears on a question that he himself has brought up. All salesmen know from experience how difficult it is to get a prospective customer to read a testimonial closely. He may

pretend to be reading the letter while all the time be thinking of some excuse for not buying, so instinctively does the average prospective purchaser resist the influence of the salesman.

Other Features of Good Indexing.—To receive the maximum assistance in his sales canvass, a salesman should be able to refer to testimonials according to class or kind of business, as well as geographical location and sales arguments. Therefore, the binder, manual, or portfolio given the salesman should be so cross-indexed as to make it easy for him to refer to testimonials according to:

1. Kind of business
2. Geographical location
3. Sales argument

Naturally, a professional man, such as a physician, a dentist, a lawyer or an architect, will be more impressed by something that another physician, dentist, lawyer or architect may have said in commendation of the product or service that is being offered him.

Testimonials in Sales Manual.—One large correspondence instruction organization has found it advisable to have testimonials made a part of its sales manual.

This manual is made up in the "question-and-answer" style. Pertinent questions are asked and instead of being answered by some selling argument of the educational institution itself, reference is made to pages where letters from satisfied students give specific answers to the question under consideration.

Take, for example, the question: "Am I too young to take a course of this kind?" Just underneath the question the salesman will find, "See pages 11, 16, 27, 30 and 42." On referring to these pages he will find letters from students explaining that they thought they were too young, perhaps, when they started the course, but that the results they have achieved show that this was a mistaken opinion.

This organization's unique manual was made up with the belief that prospective students are much more likely to be impressed through having their questions and objections

answered by actual students than by mere argumentative reasoning, no matter how logical the argument.

Testimonials Mailed Prior to Call of Salesman.—It has been the experience of several large business firms that good use may often be made of testimonial letters by mailing them to a selected list of prospective buyers just prior to the call of the salesman. Used in this way, the testimonial makes it easier for the salesman to get an interview, especially if the testimonial mailed is one from a neighbor of the prospective customer. Instances are on record where testimonials mailed in this way have induced the prospective buyer to call on the satisfied user and get information about the product under consideration. This has been true, however, only where the interest in a product is very keen. Unusual attention may be gained for such letters by having them contain a pen-written notation of some kind.

Having Salesmen Mail Testimonials.—Another variation of the above plan is to have the salesmen write prospective customers a personal letter and enclose one or two good testimonials. The salesman's letter, in such cases, should inform the prospective customer about when he plans to call, and too much time should not elapse between the receipt of the salesman's letter and his call.

Do Not Send Too Many Testimonial Letters.—It has been the experience of many business concerns that a few well selected testimonials are worth much more than a mass of ordinary ones. While the prospective purchaser may read a few expressions of opinion from satisfied users, he is not likely to wade through a volume of such expressions. The main purpose that may be served by a book of testimonials is to impress the reader with the "mass of evidence," though he may read only a few letters.

One plan is to have a 4-page letter for mailing to prospective purchasers and to make the principal feature of the inside double-page spread an unusually fine testimonial. If desired, a border of testimonials in small-size type may be built around this central feature, simply to create the impression of a quantity of praise.

Using Testimonials for Posters, Window-cards, Etc.—Testimonials may also form valuable sales helps when used as the principal feature of posters, counter-cards, window-cards, etc., and they perhaps get an unusual amount of attention when used in this manner and as a part of display advertising.

A testimonial letter, stressing some one point of a product, may be enlarged through some of the well known photographic enlarging processes and thus from an attractive and convincing poster for use at conventions, state and county fairs, demonstration tours, or as plain window- and counter-displays. When used in this way, the outstanding feature of the testimonial is generally taken out of the body of the letter and used as a well displayed headline, with an appropriate bottom display by the advertiser linking up his argument with the subject of the testimonial letter. Features of this kind may sometimes include the photograph of a well known man.

Testimonials on Blotters.—Another means of widely circulating testimonials is to print them on blotters. The danger here is having the testimonial so general that the application will not be specific enough to command a great deal of attention.

Testimonials as Part of Letterhead.—Letterheads used in sales correspondence may sometimes carry advantageously one or two short, pointed testimonials, either along the left-hand margin or on the back of the sheet.

Testimonials as Follow-up.—Some salesmen are required to report to the home office on "near sales" or "lost sales." Testimonials have been used successfully in keeping alive the interest of such prospective buyers until the salesman could call again.

(Summarized, in part, from literature of Dartnell Corporation.)

WHAT ADVANCE CARDS OR LETTERS MAY ACCOMPLISH

Anything that can be worked out in the form of a card, a letter, or a newsy announcement in some other form, to "break the ice" for the salesman and have the prospective buyer look forward with a little interest to his call is well worth while. Such preliminary information may do one of a number of things:

1. It may pass along to the prospective buyer something of real interest, without telling him the full story, leaving it to the salesman to give details. This gives the salesman a point of contact.
2. Curiosity may be aroused, without going so far as to make the prospective customer think that he has been hoaxed into granting an interview.
3. If the announcement is in the form of a letter, this may be so written as to develop a friendly spirit toward the salesman.

In general, it is not well to have the preliminary information complete. If it is complete, there is some danger that the prospective buyer may "canvass" himself before the salesman arrives and greet the traveling representative with the information that a decision has already been reached, perhaps in favor of a nearby competitor, or maybe that the purchase cannot be made at all.

As an illustration, let it be supposed that the sales organization is one that sells service as well as a product. The preliminary announcement might begin in about this style:

Our Service Department has given some thought lately to a problem that you are facing, and we believe we have worked out something that will be of interest and real assistance to you.

Our Mr. Jones is going to make it a point to call—

An organization selling a product like adding machines could send out a letter of this style:

You may not need it now, but you will very likely need it next month or next year, and so we want you to know about it.

We are referring to Model 20 of the Blank Adding Machine, which is now being offered, after three years of work to produce a machine that will go further than any office device of this class has ever gone—

An accident insurance firm might link up its preliminary announcement with some local event or happening. The letter might open in this style:

A month or so ago a prominent citizen of your community would probably have laughed had some friend suggested that within a day or two he would be a cripple for life.

You probably know of the instance we are referring to—the case of James Rhoads. In spite of the fact that Mr. Rhoads had no inkling, of course, that such a thing would happen to him, nevertheless, away back in his mind, his sense of prudence prompted him to carry a \$10,000 accident policy with us.

Review of Actual Experiences with Advance Notices.—Some salesmen are of the opinion that advance notices of their calls do not constitute good strategy. If the buyer is at all unfavorable, these salesmen feel that the advance notice merely gives him opportunity to arrange to dodge the interview or to prepare some excellent reason for not doing business with the salesman. Nevertheless, by giving this part of the selling work thought it is possible to accomplish much more than was accomplished in the old days when an advance notice was either a stereotyped announcement of the salesman's call or else some supposedly humorous notice such as a caricature of a salesman falling out of a balloon, designed to illustrate the message that the salesman would "drop in."

S. C. Lambert, writing in *Printers' Ink*, June 8, 1916, cites the following interesting instances of well-worked-out advance notices.

One of the most practical cards which the writer has seen is used by the salesmen of E. R. Squibb & Sons, the big pharmaceutical house. The face of the card shows both the address and the announcement, as follows:

"Dear Sirs: Representing E. R. Squibb & Sons, I shall take pleasure in calling upon you about....., and shall appreciate all favors accorded me."

Then, below this, is the line, in black-face type:

"Please note your shorts on other side."

The druggist who showed the card to the writer had suited the action to the word, and had a list of sixteen items written out. This not only saved the time of both the dealer and the salesman—for the former was able to look over his stock at his leisure, while the latter merely had to copy the list into his order book—but it served to emphasize to the druggist the desirability of looking over his stock and noting the items which needed replenishing.

A business such as the drug trade, where the number of items in stock is very large, gets an advantage from an advance announcement of the salesman. If he were to come in unexpectedly, the dealer would not be able to tell him what he was in need of, and it would take some time to find out. Having due notice ahead of the salesman's arrival, however, gives the merchant an opportunity to make an inventory of that particular section of the stock, so that he is ready to give his order when the traveler arrives, without loss of time for either of them.

Inasmuch as the personal element is so large a factor in the relation between the salesman and the merchant, it is surprising to find so few manufacturers using the plan resorted to by the American Optical Com-

pany, which sends out a handsome card illustrated with a picture of the salesman who is going to make the call. If the dealer knows the man, he is glad to see him identified in this way; if he doesn't know him, it serves to introduce him before he arrives.

The salesman who is on good personal terms with the dealer knows that he is not going to be forgotten as soon as he leaves, and that if his customer has a chance to give him additional business he will do so. That seems to make worth while the plan of Larter and Sons, of New York, who are in the jewelry business. The complete route-list of the salesman for a month ahead is printed on the card, with the names of the hotels where he is to stop. This enables the jeweler with a belated order to catch the traveling man even after he has left the city, or, on the other hand, to anticipate his coming and send a hurry-up order to him in care of the hotel where he is scheduled to be.

Frank M. Whiting and Company, the North Attleboro, Mass., silver-smiths, present an attractive idea, artistically worked out, in displaying some of their current patterns, the illustrations being light enough to be used as a background for the announcement of the salesman's visit. The descriptive phrase used under the pictures is, "The original line of excellent variety."

Sending out samples before the arrival of the salesman is another stunt that is becoming popular. Many candy houses mail a choice offering a week or so in advance of their salesmen's routes. With it goes a note reading about like this, "Put your teeth into the Teaser Bonbon which we are sending you under separate cover. It is something new. On the 18th of this month our Mr. Wells will give you an opportunity to buy this piece at 18 cents a pound. It is retailing readily in most places for 35 cents. Some profit, eh?"

A dry-goods merchant told the writer that he received a Turkish towel in the mail one morning from a well known Chicago wholesaler. With it came a letter from the firm's salesman, saying, "Were you ever able to offer such a tremendous value in Turkish towels to your customers for 25 cents and still make 60 per cent profit? Well, you can do it now! I am figuring on selling you ten gross of these towels next Thursday. Splendid chance for you to run a big sale." That is still another way of obtaining the interest of the buyer in advance of the salesman's coming. Dry-goods men make only a few calls each day, and it is therefore possible for them to work a plan of this kind.

The following is a salesman's advance notice used successfully by the Vogan Candy Company:

Dear Friend:

I will be in La Grande on February 5. You will surely be pleased with the new package of great big Oregon Cherries in chocolate and cream which I have with me this trip and which is a new package we are

featuring. This package is making a distinct hit in all parts of the United States where it has been shown and when you see it and taste the cherries you will agree that it is a winner.

Following this introduction is a little further selling talk about the cherry box. The Vogan Candy Company salesmen find that such a notice paves the way for the introduction of the new package. Before this note was used, a new package had to be explained and often the dealer wanted to take second thought before deciding about placing an order.

In commenting on the Vogan Candy Company's plan in *Printers' Ink*, H. H. Deute says:

It seems that to get the maximum results out of advance notices, the particular card or letter used must be carefully prepared and that, as is the case with all advertising, there must be a new approach every so often. With men calling not oftener than every two weeks or once a month, the dealer seems to take an interest in probably three cards of the same kind. By that time he becomes used to them and if they are not changed, they become commonplace and cease to make an impression upon him. Along the same lines, if an advance letter is sent over and over again, the letter ceases to have news value and the dealer may merely glance at it.

Another point in favor of livening up the advance notice by repeatedly getting out something new is the interest taken in the new card by the salesman.

The Vogan Candy Company, by giving much thought to these advance notes and cards and introducing great variety, has succeeded in getting the enthusiastic cooperation of its salesmen and in making an impression on the trade that the firm is progressive.

OUTLINES OF INTERESTING CAMPAIGNS

American Radiator Company.—It is exceedingly easy to let a sales campaign drag—whether that campaign be a contest on quota or some other kind of sales-contest effort. The easiest thing for the salesmen to do is to work along their usual lines and to postpone the time for special effort.

Consequently, to keep any sales program alive, those in charge of the campaign must be prepared to employ every aid, psychological or physical. Not only must the campaign

be explained clearly at the convention, or by some other means, and the enthusiasm of the men built up at the outset, but other aids must be steadily used lest enthusiasm and resolution be dulled.

Five Definite Purposes.—In the following pages are shown a number of exhibits from the campaign of the American Radiator Company on its Arcola heating outfits. In this campaign the salesmen were sent out not with a mere resolution to do everything in their power to get sales, but were instructed and coached to do definite things:

1. To get a definite number of dealers.
2. To get endorsements from dealers or users of Arcola systems.
3. To install window-displays.
4. To go with dealers to make sales, so as to thoroughly convert the dealer.
5. To prevail on the dealer to do local newspaper advertising, whether he was already a user of newspaper space or not.

Space is not available here to print the full series of exhibits and messages sent out during the American Radiator Company's campaign, but a selected number of exhibits will make the method clear.

How Messages Were Put Before Salesmen Impressively.—In the *Arcola Merchant*, the publication for the dealers, consisting of one big sheet printed on both sides, the American Radiator Company, after outlining its complete advertising campaign, showing clearly the media to be used, the time of the advertising, the amount of the circulation, and so on, made the appeal shown in Exhibit 190 on page 800.

The other house organ of this company is known as the *Arcolagram* and it is sent to all salesmen. The exhibits of this Section show several pages of this little publication, and give an idea of the kind of material used to stir up the enthusiasm of the men. The *Arcolagram*, like the *Arcola Merchant*, consists of just one large sheet, printed on both sides. During the campaign this publication contained information as to how the different branches stood, through blackboard statements, as reproduced in Exhibit 191, and through tables showing the number of merchants sold to a certain date, such as shown in Exhibit 192. In order not to overlook the individual salesmen,

How to get big results from this campaign

This advertising is going to be read by your customers and some of them will be convinced that Arcola is the heating system that they need. Others will want to see Arcola to learn how it works and to prove for themselves that it really does all the things that the advertising says it will do.

You can make your shop Arcola Headquarters by doing these things:

- First: Feature your Arcola window-display, including the Arcola Dealer Sign, which will tell passersby that you are an Arcola Merchant.
- Second: Insert your own advertisements in your local newspapers. By doing this you will tell readers of Arcola advertising that you are one of the heating specialists referred to in the Arcola advertisements.
- Third: Paste the first advertisement on the glass of your door on the day that it appears in your newspapers. A copy of this advertisement is being sent to you.
- Fourth: Tear out the page containing the Arcola advertisement in the September 17th issue of the *Saturday Evening Post* and paste it in your window—make it a part of your window-display.

Every Arcola dealer is going to get some of the business that Arcola advertising will produce, but the ones that get their full share of the business—the ones that will make real profits this fall, are those who tie their business up to the Arcola advertising—who let their customers know that they are Arcola Merchants—who put real selling punch into every day during the campaign.

The first part of this campaign will last eight weeks. Those eight weeks can be busy ones for you—weeks in which your bank account can grow larger and larger.

And all you have to do is your share. The Arcola advertising will do the rest.

EXHIBIT 190.—The Arcola message to dealers.

he company went even further and gave lists of the first twenty-five or fifty salesmen to qualify on the basis of sales quotas. It also had what it called the "Honor Roll," under which heading were listed the three different fraternities and the Century Club. Membership in the first fraternity was

THE BLACKBOARD AT SALES HEADQUARTERS
HOW THE BRANCHES STOOD ON NOVEMBER 10th

Rank item 3	Branches	1		2		3		4		5		21 Leading Salesmen		6 and 12 Club Orders	
		Arcola quota to date	Arcola sales to date	Per cent efficient	Average no. per sales terr.	Total sales 6 or 12 club lots	Average no. per sales terr.	Total sales 6 or 12 club lots	Salesmen	Branch	Total sales				
7	Baltimore.....	1,299	1,256	96.7	139	316		L. Shuster	Philadelphia	420					
16	Birmingham.....	3,908	2,619	67.0	164	492		E. D. Duval	Baltimore	261					
15	New England.....	1,932	1,361	70.4	54	216		P. J. Fluery	New York	162					
17	Buffalo.....	1,562	1,004	64.3	77	180		J. L. LaPointe	Birmingham	126					
6	Chicago.....	1,915	1,983	103.6	71	270		F. Martinell	New York	120					
12	Cincinnati.....	1,527	1,230	80.5	123	444		F. P. O'Connell	Detroit	102					
5	Cleveland.....	958	1,069	111.6	107	66		M. F. Stack	St. Louis	78					
8	Denver.....	778	721	92.7	90	156		T. A. S. Hall	Indianapolis	72					
1	Detroit.....	927	1,672	180.4	139	264		P. B. Hall	Washington	72					
11	Indianapolis.....	1,087	878	80.8	97	228		O. J. Heck	Birmingham	66					
10	Kansas City.....	1,074	868	80.8	87	156		A. J. Kibler	Buffalo	60					
9	Millwaukee.....	852	689	80.9	98	90		O. P. Fleming	Birmingham	54					
20	Minneapolis.....	1,636	627	38.3	69	48		F. A. Rickly	St. Louis	54					
4	New York.....	2,991	3,775	126.2	77	636		N. M. Peterson	Seattle	54					
13	Omaha.....	802	603	75.2	86	66		R. A. Birk	Indianapolis	48					
3	Philadelphia.....	1,493	1,941	130.0	92	462		H. Myer	Birmingham	48					
19	Pittsburgh.....	1,753	724	41.3	72	72		H. M. Cowardin	Baltimore	43					
18	San Francisco.....	1,156	580	50.2	116	108		J. L. Emery	Birmingham	42					
14	Seattle.....	940	678	72.1	85	108		H. L. Fulton	Denver	42					
21	St. Louis.....	3,040	850	28.0	94	186		G. W. Heth	Detroit	36					
2	Washington.....	238	421	176.9	210	90		R. Smith	New York	36					
	Totals.....	31,868	25,549	80.2	92	4,714									

EXHIBIT 191.—The American Radiator Company sent out these "blackboard statements" regularly, as a feature of its bulletin to salesmen. The figures show the standing of each of the officers in the Quota Contest. The salesmen were classified in four different ways: Fraternity B, which salesmen must sell either a 6-club or a 12-club order; Fraternity Double B, which salesmen must sell 25 Arcola outfits on the Club plan; Fraternity Triple B, which salesmen must sell 50 Arcola outfits on the Club plan; and Century Club, which salesmen must sell 100 Arcola outfits on the Club plan. In each bulletin there was an honor roll, setting forth the names and addresses of men who had qualified under each classification.

based upon the sale of a certain number of units. The members of the second fraternity had to sell twice the number of units sold by the first fraternity and the third fraternity was required to sell three times the number of units of the first fraternity. Membership in the Century Club was limited to those salesmen who sold 100 of such units. In Exhibit 193 the reader will get an idea of the way the American Radiator Company featured the members of the Century Club in order to stimulate the interest of the other salesmen.

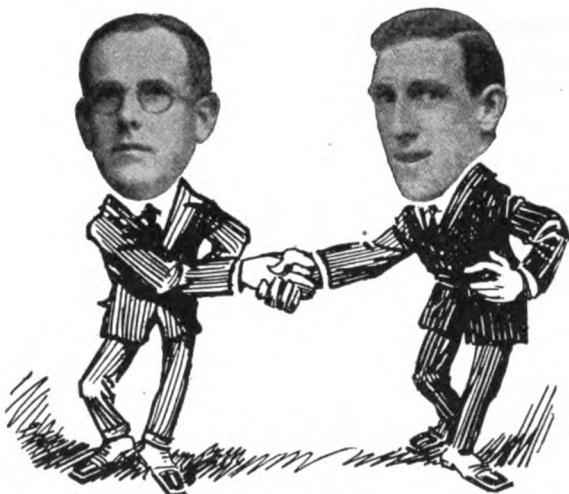
How the Branches stand on the drive for Arcola Merchants

The figures below are based on the accomplishment from January 16th to February 11th, inclusive.

Rank	Branch	Quota to April 1st	Number sold up to February 11th	Per cent of quota sold up to February 11th	
1	Cincinnati	225	150	66.7	Above the com- pany aver- age
2	Milwaukee	179	83	46.4	
3	St. Louis	225	105	46.3	
4	Birmingham	280	122	43.6	
5	Pittsburgh	280	119	42.5	
6	San Francisco	128	52	40.6	
7	Denver	170	60	35.3	
8	Indianapolis	225	79	35.1	
9	Cleveland	275	95	34.5	
10	Chicago	632	213	33.7	
11	Baltimore	200	67	33.5	
	American Radiator Company	6,500	1,860	28.6	
12	New York	1,035	270	26.1	Below the com- pany aver- age
13	Detroit	281	70	24.9	
14	Seattle	175	40	22.9	
15	Omaha	215	48	22.3	
16	Washington	51	10	19.6	
17	Philadelphia	490	84	17.2	
18	Kansas City	280	42	15.0	
19	Buffalo	343	50	14.6	
20	New England	608	82	13.5	
21	Minnesota	203	19	9.4	

The standing of the branches will next be published in the Arcolagram of March 8th.

EXHIBIT 192.—American Radiator Company's method of tabulating progress in its Quota Contest. The psychology of showing the branches above and below the average is effective.



Larry Shuster congratulating Ed. Duval

Century Club

To qualify in the Century Club an Arcola Salesman must sell 100 Arcola outfits on the club plan.

The two charter members of this club are L. L. Shuster of the Philadelphia branch, who has sold 184 Arcola outfits on the club plan, and E. D. Duval of the Norfolk office who has sold 135 outfits.

The handsome gentleman with glasses is Larry Shuster. Yes, you guessed right, the boy with the big jaw and the left hand poised nonchalantly on the hip is Ed Duval.

Before another issue of the Arcologram goes to press we miss our guess if these two Century Boys don't have some company.

EXHIBIT 193.—How the American Radiator Company featured the first two salesmen who qualified for the Century Club in its quota contest. This appeared in the *Arcologram*, the bulletin for the field representatives of the American Radiator Company.

Helpfulness of Trips to Headquarters.—In commenting on these campaigns, L. M. Butler, Manager of Sales Promotion of the American Radiator Company, says:

For several years it has been the custom of the company to have the individual leader make a special trip to general sales headquarters for two or three days. Though we have never held out that trip as a reward, yet it is usually understood that the reward will be given.

We usually find that such campaigns produce the best results if they are for a short period only—not to exceed four weeks. We have always found that the results are most beneficial, both with respect to actual accomplishment during the drive and in enthusiasm aroused that carries over for some time after the drive, as well as in a very definite demonstration of the possibilities of sales.

Featuring of Records.—During the American Radiator Company's campaign special attention was given to the branch offices and individual salesmen who made excellent records. This put the men on their mettle. Such features give strong human interest to any campaign.

Every man in the organization will read with special interest such a bulletin as that in Exhibit 194, setting forth by telegram the congratulations of the general manager to the Buffalo branch.

Exhibit 195 is the sales manager's review of the first week of the drive:

Mr. Flershem wires congratulations

Washington, D. C.
April 11, 1922

L. M. Butler,
American Radiator Company,
Buffalo, N. Y.

Your message just received naming the ten branches that exceeded their first week's quota on ARCOLA carload orders. Also the leaders in number of carloads booked. My heartiest congratulations. The inspiring record of the branches is especially credible and praiseworthy in view of the fact that price reductions and special April discount were effective only during the latter half of week. With the aid of this inducement, am confident that drive will be doubly effective during balance of month and that all branches will contribute their full share of the thousand carloads.

R. B. Flershem

EXHIBIT 194.—Telegram of congratulation that is sure to produce a feeling of good-will and loyalty.

Ten Branches get more than one fourth of quota in first week of drive

The first week of the drive for carload orders for ARCOLAS is proving the mettle of ARCOLA salesmen. All over the country, salesmen have gone into this drive with a vigor and spirit that is proving them worthy of the name of ARCOLA salesmen.

Some of the accomplishments are simply phenomenal. In Chicago, 18 carloads were signed up in a single day. In the Cleveland Branch, 10 carloads was a day's work for J. Proctor, of Toledo.

Everywhere, from coast to coast, the branches have shown that they are really working. The first week of the drive was a real success in many branches.

BUT—

We will need to go even faster if we are to reach the quota of 1,000 carloads of ARCOLAS on May 1st. We have everything in our favor, and the price reduction and additional 5 per cent discount on ARCOLA outfits should put new life into the salesmen's work.

As one manager said: "Jobbers and trade have been looking for some kind of price variation. And now that they have it, there is every reason to believe that carload orders should be easier to get."

Chicago and Birmingham win race for first 25 carloads

Both Manager Kennedy and Manager Westerfield have reason to feel proud of the work in their branches—for in the first week Chicago sold 44 carloads and Birmingham sold 25 carloads.

8 men sell 6 or more carloads

Following is a list of all the men who have sold six or more carloads, with their records:—Birmingham Branch, E. D. Hannan, 7 carloads; Buffalo Branch, R. C. Moffett, 8 carloads; Chicago Branch, George Boeddener, 6 carloads; H. R. Linn, 6 carloads; E. J. Siegman, 7 carloads; L. J. Peterson, 8 carloads; Cleveland Branch, J. J. Proctor, 10 carloads.

Letters from Head Officer.—The wise sales manager does not depend solely upon his own appeals to the men in the field. He knows the greater attention that is often given to letters from higher officials, such as the general manager or the president. Consequently, many firms make a letter from the president or general manager a factor of any aggressive sales campaign.

The following letter from R. B. Flershem general manager of the American Radiator Company is a typical example of a general manager's appeal:

BUFFALO, N. Y., March 31, 1922

TO ALL ARCOLA SALESMEN:

During January, 1921, we made our first drive for ARCOLA Outfit Carload Orders from jobbers and from trade. Prior thereto ARCOLAS had not been extensively advertised, nor extensively sold. The ARCOLA merchant with show-window sample, installed price window posting, and installed price newspaper advertising was unknown. Only an occasional jobber was interested in ARCOLAS. The ARCOLA market was comparatively limited. The number of stock carloads that could be sold was largely a matter for conjecture.

ARCOLA salesmen everywhere, under the leadership of their Branch Managers, instilled their splendid spirit in both jobber and trade, with the result that the company-estimate of 250 carloads was splendidly surpassed with a record of 354 carload orders.

This year, the carload-order drive was purposely delayed so that the way for prompt resale might be prepared. Accordingly, all ARCOLA salesmen have been busily engaged since January 15 in the arduous task of developing 6,500 full-fledged ARCOLA merchants, and now, with this great work nearing completion, are ready to launch a grand drive for ARCOLA carload orders which will far exceed last year's fine accomplishment.

In our judgment, it will be far easier to obtain carload orders this April than it was in January 1921, and, consequently, we can confidently hope for much greater volume.

Our comparative positions as salesmen in soliciting carload orders now and in January, 1921, are shown in the attached schedule.

And during April there will be sent to all ARCOLA merchants the *Arcola Estimator*, the book that makes possible quick pricing of ARCOLA Outfits to all prospects, thus removing the last obstacle in real merchandising—quick sales within the store—of ARCOLAS.

Moreover, the wonderful expansion in new residential building now present as compared with a year ago is eloquently expressed in 20,869 residential contracts awarded during last November, December and January as compared with 9,609 during the same months of the previous

year. These, in addition to the limitless old-building field, represent the vast increase in ARCOLA sales targets for April, May and June, and, confidently predict the prompt resale of all stocks purchased.

Last year, under far less favorable circumstances, with far less favorable sales equipment, with far less favorable building and business conditions, ARCOLA salesmen sold during the less opportune month of January, 354 carloads. During April this year, with infinitely better sales equipment, with a vast increase in potential resales, with general business confidence restored, with hopes running high in the hearts of all men—who will telegraph first that he has sold six carloads, and who will sell the most?

Ask your Branch Manager for all other needed details—and guarantee doubled ARCOLA sales this year by selling your share of the company-quota for the April drive—

A THOUSAND CARLOADS.

With abundant confidence and best wishes for the success of all.

Faithfully yours,

R. B. Flershem

General Manager Sales

WHAT YOU HAVE TO HELP YOU

	January 1921 Drive	April 1922 Drive
Number of satisfied users of ARCOLAS.	15,000	45,000
Number of ARCOLA merchants.	Almost none	6,500
Number of newspapers used in ARCOLA advertising.	380	590
ARCOLA merchant aids.	None	Thousands of ARCOLA show-window samples with two advertising posters changed monthly. Thousands of ARCOLA installed price posters in Arcola merchant windows. Thousands of installed price advertisements in hundreds of newspapers. (During 1921 ARCOLA merchants used $\frac{1}{6}$ of the newspaper space used by our Company. This year the merchant advertising quota will be $\frac{1}{3}$ ours).

EXHIBIT 196.—This schedule, showing the features of the year's campaign as compared with the preceding year was made a part of General Manager R. B. Flershem's letter to his salesmen.

	January 1921 Drive	April 1922 Drive
Jobbers Carload prices during drive.	Base price less 10 per cent with prepayment discounts of 5 per cent for payment before June 1st—3 per cent for payment during June—2 per cent for payment during July—Invoices to mature at base less 10 per cent net September 1st.	Base price less 5 and 10 per cent with 2 per cent discount for payment in ten days, invoices to mature at base price less 5 and 10 per cent September 1st.
Trade carload prices during drive.	Base price with same prepayment discounts as allowed to jobbers.	Base price less 5 per cent with 2 per cent discount for payment in ten days. invoices to mature at base price less 5 per cent net September 1st.
Price Guarantee	Price guaranteed against decline up to September 1st.	Price guaranteed against decline, up to September 1st.
Jobbers delivery terms.	F. O. B. jobbers warehouse — no possible profit on freight.	Possible freight profit averaging 6½ per cent if charges for local deliveries are made of the difference between the C/L and LCL freight rate from our nearest factory or warehouse.

EXHIBIT 196.—Concluded.

Letters from Technical Men.—Letters from engineers, chemists, or other experts in the employ of a manufacturer may be used with very good effect during sales campaigns. Such letters inspire confidence. Exhibit 197, from the chief engineer of the department of research of the American Radiator Company, is a good example of such a letter.

Other Exhibits of Arcola Campaign.—Exhibits 198, 199, 200 and 201 are self-explanatory. They illustrate the care taken to sustain a campaign by the use of every useful method.

INSTITUTE THERMAL RESEARCH
FOUNDED BY
AMERICAN RADIATOR COMPANY
1607 LEXINGTON AVENUE
BUFFALO, N. Y.

To all ARCOLA salesmen:-

This latest and very clever invention maintains any desired water temperature in coal-burning ARCOLA Hot Water Supply and Garage Heating Outfits. Any desired water temperature is maintained through controlling the air supplied to the fire; there is no check draft action.

The copper tube and bellows (quite identical with that in the No. 801 ARCO Junior Water Regulator), furnishes the motive power for actuating the air supply damper.

The tube, as above described, fits into a special opening at top-back of ARCOLA, and is completely surrounded by the circulating water. As the water temperature changes in ARCOLA, a lever of rugged construction is caused to move.

At the end of this lever is a circular damper, having a ground face, which fits over a machine-faced opening in the ashpit of ARCOLA. Greater or less tension on the plunger of the bellows is effected by the turning of the handle near the top of the device.

When the stop on the handle is revolved to the extreme right the regulator is made inoperative. As it is turned around to the left, greater tension is put on the plunger of the Regulator, and maximum temperature is obtained up to the limit of the device.

The range of the Regulator, as regularly furnished, is from 130° to 165°F.

The ARCOLA Automatic Water Regulator has been most severely and completely tested by the Institute Engineers, and from the temperature charts shown for both the ARCOLA Hot Water Supply Outfit and the ARCOLA Garage Heating Outfit it will be observed that most accurate regulation is accomplished.

We unqualifiedly endorse the ARCOLA Automatic Water Regulator, and our salesmen should not have the slightest hesitation in extolling the merits of the device and assuring the trade of its sensitiveness and reliability.

Chief Engineer,

Department of Research

EXHIBIT 197.—Often a letter to salesmen from a technical man of an organization has unusual weight.

ARCOLAGRAM, MAY 1, 1928



Chart showing percentage of total quota reached by the branches

	0%	50%	100%	125%	150%	200%
Indianapolis					205.55%	
Omaha					185.71%	
Denver					175.00%	
Cincinnati					154.54%	
St. Louis					153.84%	
Milwaukee					138.09%	
Minnesota					133.33%	
Seattle					133.33%	
Cleveland					130.00%	
Birmingham					129.27%	
San Francisco					116.67%	
Buffalo		109.67%				
Washington			100.00%			
Detroit			77.74%			
Chicago			77.48%			
Baltimore			75.00%			
Kansas City			67.74%			
Philadelphia			65.78%			
Pittsburgh			51.72%			
New York		10.74%				
New England		5.30%				

Splendid testimonials win prizes for ARCOLA salesmen

In the third and last leg of the contest for the best testimonial letter, E. E. Harty of the Chicago Branch ran away with the \$250 prize by sending in an especially laudatory testimonial on Arcola. W. M. Gallagher of the Kansas City Branch took "second" in the race, and C. H. Beragon, Massachusetts Branch, came in third. This is the second time that Mr. Beragon has been in the money and he is to be congratulated.

In all, the contest for testimonial letters has been a big success and fifty letters have been added to the Arcola tag by the good testimonies of the men who use and sell Arcola.

The \$250 prize-winning letter written by E. E. Harty was addressed to D. H. Hill of the East Side Building Wks., Overland, Mo., it reads:

"Just a line to advise you of my appreciation of the truly wonderful service your Arcola No. 1 is giving me. I have the benefit of three radiators installed on my building works, as you do here and as also have my living rooms on second story in which I have five radiators and the equipment tank.

"You see, surely this winter we had weather go to 25 degrees below zero and I experienced no difficulty in heating my building works to 25 and the cold my living rooms go to 25 degrees above."

"You can certainly make profitable work in manufacturing and installing my plant and apparatus where dependable heat is desired, such a magnificent system as a gas Arcola."

"The \$250 prize-winning letter written by C. H. Beragon, Woburn, Mo., and sent in by W. M. Gallagher follows:

"During my entire career of 25 years in the plumbing and heating business, I have never enjoyed the margin of profit that I secured from my Arcola sales in the last year. I installed nine Arcolas in an average grade of 25% on all these jobs. I expect to add about 25 Arcolas this year and annually continue during most of my time to the Arcola business."

J. E. Hebling of St. Cloud, Minn., won the third prize of \$25 for C. H. Beragon's like letter:

"The Arcola I installed myself on my basement and the boiler in second story addition. The furnace is a one and a half story 24 x 48, 7-cube foot capacity with the best radiators and have used only four and a half tons of coal and a very small amount of wood. We have really felt the temperature of the house in about average."

EXHIBIT 198.—Specimen page from the ArcolaGram, showing the percentage standing of the different branch offices.

ARCOLAGRAM, APRIL 7, 1928

Some of the telegrams that show how the branches are working



EXHIBIT 199.—Specimen page from the *Arcolagram*, showing how the American Radiator Company featured telegrams giving the showings of the different branches in its quota contest.

EXTRA

ARCOLAGRAM

FOR ARCOLA SALESMEN

Vol. 11, No. 1 The Page

FRIDAY, JANUARY 6, 1933

Circulation Enclosed

Big Opportunity for every Arcola Salesman

Managers send resolution to President Woolley

When the new plan of compensation—the Task and Bonus Plan—had been decided by the managers at the Buffalo Conference...

The managers were for it—heart and soul. And the big reason they were so enthusiastic is that they could see real money ahead for every one of their salesmen.

So it was natural that they should want their president to know how thoroughly they approved of this wonderful system on which he had spent so much time and energy.

A resolution to President Woolley was prepared and signed by every manager. And this resolution was wired to Mr. Woolley.

TO OUR PRESIDENT

Whereas: We managers assembled in convention and having heard Mr. Bruce explain in detail the salesman's compensation plan...

Therefore: Be it resolved that we pledge to our resources our earnest support in the carrying out of this plan.

- List of names: LOUIS PARKS, C. K. BROWN, J. H. BAKER, A. J. WATSON, J. H. GIBSON, W. A. BERRY, W. F. SMITH, J. H. TAYLOR, J. H. COLLIER, JR., L. J. BROWN, R. M. WOODWARD, D. E. FURBER, W. H. SMITH, W. H. LEWIS, W. H. SWEET, G. B. BRIDGEMAN, R. M. WOODWARD, F. V. LEWIS, JR., R. F. SULLIVAN, W. M. CRAWFORD, W. B. GORDON, JR.

President Woolley's Answer

Telegram sent by chief executive from Colorado Springs



The action is adopted by the branch managers representing the 11 branches, who have just been notified of the adoption of the new plan...

The president of the company has just received the telegram from the managers...

Submission to working for himself...

Task and Bonus Plan—Big Chance...

Property Address...

1922 brings chance to prove his worth

Now, too, there comes to you, salesman, the chance that has long been waiting for you...

Every year you go to the Arcola—every year you get an idea—every year you see a dollar to call on one of the salesmen...

There are those going to the Arcola—every year they are going to make money there...

You have the same chance as every other salesman...

Two letters that tell the secret of Arcola success

The General Plumbing and Heating Company of Portland, Oregon, are our Arcola Men...

Now only one thing holds us back—a lot of customers who are undoubtedly needed...

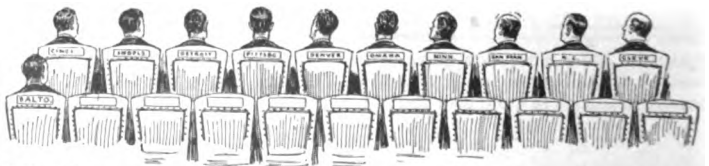
Now the middle of September, we have sold more hot water heating plants...

We have found that the Arcola plan really made us the best group of men...

Now is a better time than ever for you to get into Arcola...

The Arcola plan is the best plan we have ever had...

EXHIBIT 200.—First page of one of the 2-page bulletins sent to the salesmen of the American Radiator Company, showing the pledge of the managers and the president's answer.



11 Front seats taken—which branch is next?

EXHIBIT 201.—Effective illustration for a sales bulletin, showing the different branch offices that have earned their quotas. Such a bulletin makes every branch office manager anxious to have his district "seated."

A BANK'S CAMPAIGN FOR NEW DEPOSITORS

Horrifying as it would have seemed to the bankers of a generation ago, the modern bank sometimes finds it is necessary, as a manufacturer or merchant may, to plan and execute a vigorous sales campaign. While the plan of the bank may not be an exact model for other sales campaigns, it affords its own valuable lessons, which may be adopted or adapted by others. There is just as great need for definite mapping out in the case of a bank campaign as in the case of manufacturers, wholesalers' or retailers' campaigns. It is not enough to have a few rules and regulations. For one thing, few of the officers of the bank are experienced, as a rule, in advertising and selling matters. For another thing, the bank employes to whom the bulk of the selling work must be entrusted are accustomed ordinarily only to office work. They are more likely to become discouraged than men whose regular business is that of selling. There is great danger of a slump in the work after the first few days.

First Steps in the Campaign.—The first step in a bank campaign—and in any other campaign, for that matter—is to get all the material available on similar campaigns. This material may be drawn to some extent from friendly banks to whom letters may be written. Articles in the business publications afford rich experiences. All this material must be reviewed carefully and its essential features brought up in the general conferences. A bank campaign has its own peculiar problems. These are stated by Vernon C. Leftwich in an article in the *Burroughs Clearing House* as follows:

- (a) Shall the officers participate in the contest?
- (b) What is to be done in the event of a tie?
- (c) Are reopened accounts to be considered as new accounts?
- (d) Are accounts obtained on the premises to be eligible?
- (e) What is to constitute proof of successful solicitation of an account?
- (f) Is an employe's own account eligible for award?
- (g) If an account is opened and closed during the life of the contest, will it be eligible?
- (h) What provision is to be made for treating accounts which shall plainly appear to have been put on the books temporarily and for the sole purpose of assisting the contestant?

(i) Are employes to be allowed to pool their efforts in such a manner as to give one employe the scoring benefit of new business procured by other employes?

(j) Shall employes be encouraged to induce their friends to solicit on their behalf?

Mr. Leftwich does not answer his questions but points out that they must be answered in each separate campaign according to the particular conditions that exist with that institution and that locality.

Points and Prizes.—It is not advisable for a single prize, however large that prize may be, to be offered. The disappointment of those who almost win is likely to leave an unpleasant aftermath to a campaign. Therefore, most banks undertaking a sales campaign provide for a system or series of prizes or rewards based on a percentage method so that even those employes who secure only a few new accounts get something in recognition of their trouble. One bank adopted the following system of points:

SIZE OF ACCOUNT	NUMBER OF POINTS
\$5,000 and up	250
2,500 to \$5,000	150
1,000 to 2,500	120
500 to 1,000	90
250 to 500	75
100 to 250	65
25 to 100	50
5 to 25	25
1 to 5	5

Here the number of points credited to the worker depended on the amount of the original deposits.

Distributing Information about the Contest.—It is important to have all rules and methods set forth clearly in a printed, mimeographed or multigraphed document that should be put in the hands of every employe entering the contest. In order to make these rules impressive, they should be formally adopted at a special meeting of the bank officials. This should be a general meeting attended by all employes taking part in the contest and it should be arranged to have several talks designed to inform and stimulate the workers. Unless the

movement can start with this early enthusiasm, it is certain to drag and probably become a failure. The workers should be encouraged to discuss the various rules. This meeting affords the proper time for some one in the bank organization who has the qualifications of a sales manager, or some other man drawn from the outside for this purpose, to instruct the workers as to the best methods of getting new accounts. The men with inside bank experience may be willing but without the proper coaching and ammunition they may fail as willing but green soldiers often do because of their inexperience. The manager of the campaign should outline what the bank has to offer in the way of service, review its selling points, and so on. Probably it offers services of various kinds that have never been properly put before the public.

Introduction Cards for Bank Campaign.—The following form has been used to advantage in bank campaigns:

This will introduce to you M..... with
whom I have talked regarding.....
..... Bank Service.

Name of employe.....

The above-named employe will receive recognition if this card is
presented when the account is opened

This form is an introduction to the president or the cashier of the bank and the employe taking part in the contest asks the prospective depositor to use this card as a means of seeing that proper credit in the contest is given him. The back of the card should contain space for the amount of first deposit, date opened and any other information needed for the records of the bank. Most new depositors are very glad to make use of the card and it is a great assistance in keeping the records of the contest.

Keeping Up Interest in the Campaign.—Frequent meetings should be held as a means of stimulating interest, exchanging experiences and tracing the progress of the campaign. It is often well to have a little bulletin that will set forth interesting things about the campaign, give the records of the contestants, and so on. There should be addresses at the meetings, addresses that reflect interesting or humorous experiences and

that furnish a further supply of "pep." A large chart or blackboard should be maintained that shows graphically the progress of the campaign.

Exhibits 202 and 203 indicate methods used by two different banks in charting the progress of their campaigns. In Exhibit 202, the familiar clock method is used as tracing the rate of progress toward the quota, while the barometers at the right of the clock showed the progress of four different teams.




EXHIBIT 202.—A clock and thermometer graphically recorded the results of increasing enthusiasm at the State Bank of Chicago.

The purpose of the five hands on the clock was to show what had been accomplished toward quota. One of the hands was red and indicated where the quota should have been at that stage of the contest, while each of the black hands indicated the work of one team and showed what that team had actually accomplished. The barometer adds zest to the contest. Exhibit 203 illustrates how the campaign of the Union Trust Company, Cleveland, was laid out in the style of a "World Series" baseball game. The scoring was according to hits and

runs and all the bulletins of this particular campaign were phrased in baseball language. Where a plan such as the "World Series" is adopted, it is well to have buttons for the workers and pennants for the teams. The pennants may be shifted from meeting to meeting, according to the progress of the workers.

Other banks, instead of using barometers or thermometers, have used a miniature ladder with a figure of a man climbing upward. From day to day the figure was advanced in accordance with the progress of the team.



WORLD SERIES						
LEAGUE	WINS (Home)	LOS (Away)	WINS (Home)	LOS (Away)	QUALIFIED	PERCENTAGE
B	2037	743	1111	424	All	4.314
L	1074	1770	537	120	-	3.357
G	1747	1024	152	50	-	1.747
A	1956	959	248	24	-	1.557
C	1309	744	261	37	-	1.201
E	1711	712	112	24	-	1.273
F	154	314	10	0	-	.154
D	624	1024	39	29	-	.176
TOTAL	18416	31571	2241	610	22	1.742

LEAGUE © INTERTEAM STANDING (by Gate Receipts)						
TEAM	WINS	LOS	LOS	QUALIFIED	PERCENTAGE	RECORD
COYOTES 22	180	427	44	21	100	100
BAY WHEELS 4	115	456	23	416	86	100
BEARCATS 17	250	497	34	724	14	100
WILDCATS 43	161	410	24	124	8	100
WOLVES 19	131	307	27	329	27	100
ELEPHANTS 20	114	418	30	474	30	100
	776	185	9	142	50	100
TOTAL	1504	3424	245	174	57	100

EXHIBIT 203.—The score board of the "World Series" at the Union Trust Company, Cleveland. "The Union Trust Teller" kept the rivalry of the teams at white heat. The baseball scene at the right indicates how the house organ of the bank was used during the contest.

Miscellaneous Suggestions on Bank Campaigns.—It has been found that the employes of banks are most successful in soliciting savings accounts. In soliciting accounts of large concerns it has been found desirable to have the worker consult the officials of the bank before beginning his solicitation as otherwise his work might interfere in some way with work already begun by some official of the bank.

Arrangements should be made to have a good letter go out to every new depositor as soon as the account is secured. This letter should mention the employe whose effort aided in securing the account.

The publicity end of the campaign should receive close attention. If some member of the bank organization has a nose for news he can easily arrange a campaign in such a way

that it will attract attention from local newspapers. If a bank has regular display space in the newspapers, this space and some additional space should be used in dealing with the contest. All the news features of the campaign can be played up in such a way as to make the contest of particular news value. The public is usually keenly interested in business contests and even such an item as the address of the president of the bank to the employes, dealing with the interesting phases of the bank service, may, if brief, prove to be highly interesting copy for the public.

When the campaign is over, a news event should be made of a big meeting for the awarding of the prizes. A good talk by some prominent business man at this meeting will not only have a fine effect on the workers but also a good publicity effect. In addition to newspaper publicity, advantage should be taken of the display space afforded by the lobby of the bank and perhaps by the outside of the building. A large, interesting chart in either place will be seen by many of the patrons of the bank and by passersby. Provision may be made by which depositors can suggest the names of acquaintances who might open accounts.

The foregoing summary is based on the successful campaigns of several banks and trust companies.

NATIONAL LEAD COMPANY'S PROMOTIONAL WORK

The following detailed description of the promotional work of the National Lead Company is covered unit by unit because this program is typical of the extensive and varied kinds of advertising and selling aids employed by many large manufacturing concerns. The headings of the following paragraphs indicate the outstanding features of the program.

National Lead Company Salesmen.—The sales staff of the National Lead Company consists of some two hundred men who sell to jobbers mainly but in some degree to retailers.

Manufacturer's Salesman's Handbook.—Every company salesman is supplied with a pocket reference book known as the Salesman's Handbook, covering the products of the company and their uses, with confidential information on prices. This

book is put up in loose-leaf style and is subject to constant revision and supplementing.

Jobbers' Salesmen.—The National Lead Company maintains a mailing-list of some two thousand jobbers' salesmen who are permitted by their employers to receive information from the National Lead Company.

Jobbers' Salesman's Handbook.—The Handbook furnished the jobbers' salesmen by the National Lead Company is a later book than the one furnished to the manufacturer's own representatives. It is similar in contents to the original handbook but lacks the confidential information on prices. It is sent out in instalments and, like the other handbook, is subject to revision and supplementing. The aim of this book is to help the salesmen only and not to convey information through the salesmen to the dealer.

Portfolio of Advertisements.—Though the National Lead Company reproduces its national advertising in four advertising numbers of its house organ, it is deemed expedient to reproduce a group of national advertisements in the form of a convenient portfolio, which the salesman can spread out before dealers.

Trade Advertising.—A campaign in trade advertising is undertaken for the specific purpose of influencing both jobbers and retailers.

National Advertising.—A consistent campaign of national advertising is kept up as a means of influencing both the consumer trade and jobbers and retailers. It is kept in mind that the trade gives close attention to national advertising and that the interest created by it manifests itself directly to dealers and painters.

National Lead House Organ.—The National Lead Company house organ is issued twelve times a year, consists of sixteen pages to each number, and goes to 25,000 dealers and jobbers. This publication ties up well with the advertising campaign, four numbers being devoted especially to advertising with seasonal appeals. In addition to this, three pages in each issue are devoted to advertising. There are constant references to advertising campaigns other than that of the National Lead Company, particularly the "Save the Surface" campaign, "Paint Now" campaign, "Clean-up Weeks," and others.

The house organ deals helpfully with improvement of business methods, new uses of materials, including other products than those sold by the National Lead Company, and so on. The house organ also conveys real merchandising material to the dealers, window pasters being sent out with the advertising numbers so that the dealer gets a seasonal window sign at quarterly intervals. The house organ also describes how the dealer can get and make use of other aids outlined in a succeeding paragraph.

Counter Signs.—These consist of miniature cans of white lead, pictures of large kegs, flattening oil can, Dutch boy, etc.

Counter Book.—This is a child's painting book dealing with the "House that Jack Built," with nursery jingles and pictures to be colored. These carry important sales ideas of white lead, oil, colors, etc., to the children who are regarded as the future market. Indirectly, this method reaches the parent and there is a page in the book for the grown-ups, inviting an inquiry for a portfolio.

Lantern Slides for Dealers.—These slides are made up of selections from the window pasters or national advertising illustrations but carry the dealer's name.

Dealers' Newspaper Advertising.—Suitable electrotypes for dealers' advertising are furnished. These tie up with the national advertising of the National Lead Company but provide for the use of the dealer's name and for supplementary text.

Dealers' Calendars.—Calendars in four different styles are provided for the dealer, imprinted with his name and address. While the National Lead design appears on each, the subjects are not commercial, except one, which features the Dutch Boy Painter.

Booklet Entitled "Painting the Colonel's House."—This booklet is an attractive treatise on painting, carrying the dealer's imprint.

Contact with Architects, Engineers, Ship-builders, Gas Companies, Oil Refiners, Purchasing Agents of Railroads, Building Managers and Superintendents of Hospitals and Hotels.—While the bulk of the material in the National Lead house organ, or house magazine, is intended primarily for

painters and paint dealers, articles are regularly included intended to interest architects, engineers, ship-builders, gas companies, oil refiners, purchasing agents of railroads, building managers and superintendents of hospitals and hotels. Not every issue contains material that will interest all of these classes but an effort is made to get as wide an appeal as possible in every article intended to reach any one of these groups. Sometimes a certain group is reached through an advertisement in the house organ on the back or inside cover. These comments apply to the regular issues of the magazine. Every three months, a technical number is produced, in which there is some article appealing exclusively to one particular group; such, for example, as railroads or steamship companies. The groups on the mailing-list that would have no interest whatever in this article are omitted from the mailing for that particular month. It often happens, however, that the technical article can be made of such wide appeal that it is interesting to all of the groups.

At times the technical and advertising issues of the house organ are combined so that both technical men and painters see what the company is doing in the way of publicity.

Special Contact with Architects and Builders.—A special contact is made by the National Lead Company with architects, builders and contractors by full-page advertisements in the more prominent building and architectural magazines. These appeal, of course, directly to the man who specifies paints or uses them in his contracts.

Relations with Painters.—A more or less constant relationship is maintained with 50,000 painters, though there is no effort made to establish a close contact through either company or jobbers' salesmen.

Some trade advertising is directed particularly to the painter. The painters are also kept in mind in the preparation of national advertising, for it is recognized that they are also readers of it and a great deal of attention created by national advertising must manifest itself through the painters. Therefore, their responsiveness is important.

Handy Book for Painters.—A handy book on painting practice and formulas for different types of work is made up

for distribution to painters in small towns and rural regions where there are no master painters.

Tie-up of House Organ with Painters.—There are four advertising numbers of the National Lead Company's house organ made up especially for painters, and this edition is different from the edition made up for dealers. In these issues, the painter is offered the assistance of "Wet Paint" signs featuring Dutch Boy White Lead and the painter's name, if wanted. These advertising numbers also feature house-owner's paint book and color portfolio, a book of samples to help the painter in getting orders.

The painter is requested to send in twenty names of owners needing paint. These will be followed up with a personal letter from the National Lead Company. In cases where the painter is known to be responsible, this letter mentions the painter as the source of information and recommends that the reader of the letter call on the painter for color portfolio. This solicitation is followed by a letter to the painter informing him of the need for making a call on the property-owner and attempting to close an order. If the painter's reputation is not known well enough to the National Lead Company for the foregoing procedure to be followed, the letter deals merely with National White Lead and offers color plates from the portfolio.

Booklet for Painters.—A booklet for painters is made available, imprinted with their names and addresses.

Lantern Slides for Painters.—These lantern slides are somewhat similar to the lantern slides furnished dealers but call attention to the service of the painter and give his name and address. He, of course, must arrange for their showing in some local picture house.

Advertising to Women.—A special campaign of advertising is carried out in women's magazines, calling particular attention to white lead and flattening oil. The women's magazines are used twelve times a year.

Farm Advertising.—The national farm papers are used from eight to twelve times a year, this circulation running into several millions. State farm papers are also used thirteen times a year giving a circulation running to about two more

millions. These offer a handy book on painting and color portfolios. This farm advertising features National White Lead.

PALMOLIVE METHOD OF CONTROLLING AND DIRECTING SALES

The Palmolive Company, of Milwaukee, manufacturers of Palmolive soap, shaving cream, etc., operates its sales promotional work by the method known generally as the "Budget Plan." Near the end of the year, a general conference is held and past performances are reviewed, geographically as well as by each separate commodity. The company is so organized that there is a manager in charge of each department. One department is concerned only with the sale of Palmolive soap, another with the sale of miscellaneous toilet soaps, still another with laundry soaps, another with toilet articles and a fifth, known as the "Industrial Department" devotes its attention to sales to large industrial corporations, hotels, public institutions, and so forth. The heads of these departments are known as department sales managers, responsible to a general sales manager.

Methods of Arranging Budgets.—The need for summarizing a current year and forecasting the next year is well stated in the following paragraphs taken from an article written by A. J. Lutterbach, Comptroller of the Palmolive Company, published originally in *Business* (Burroughs Adding Machine Company), and reprinted here by permission.

To sell goods the Palmolive Company must first make goods. Our factory, obviously, must know how much to make. To finance our operations, to meet our expenses, to provide funds for buying raw materials, to find the money for extending manufacturing facilities, our financial department must know the anticipated financial load. To advertise our merchandise, our advertising department must know the anticipated advertising program.

The factory asks, "How much shall we manufacture this year?" The sales budget answers. The financial department asks, "How much money shall we need?" The sales budget answers. The advertising department asks, "How much can we spend?" The sales budget answers.

The whole philosophy of general executive control centering in the budget of sales really is surprisingly simple. At the beginning of the year, the sales department submits its quota of sales to the financial department. The budget sets forth the quantities of products to be sold, with these quantities classified and subdivided as to divisions and subdivisions of the sales department.

The financial department, too, has its records of performance, its classified records of finance. What was the expense of each of the five selling departments this year? What, in the light of the new departmental quotas, is the anticipated expense of each department for the coming year? The financial department drafts estimates—departmental budgets of expense.

For each department, then, the next step is to divide and apportion the departmental budget, to allot the total, just as the selling quota was allotted, to the individual commodities. Factory burden, incidentally, does not enter here; we are dealing only with general administrative overhead. What is the ratio between the quantity selling quota of a given commodity and the aggregate quota of all the commodities in the department? In that same ratio, generally speaking, the financial department allots to that commodity a share of the department's budget of expense; and the next step, obviously, is to divide that apportioned share among the units of that commodity.

Purpose and Value of the Budget System.—The value of the budget system, so far as the Palmolive Company is concerned, is shown by the fact that in a recent year the Palmolive Company, after careful analysis, figured on a 40 per cent increase during the new year and attained $38\frac{5}{10}$ per cent of increase. The purpose of establishing this standard was a threefold one. First, to have a predetermined general plan by which the entire organization aimed at a specific goal; second, to establish a pace for selling effort; third, to have a guide for executive control and action.

It is the experience of the Palmolive Company, and probably of every other company that has adopted a definite campaign, that the results are immeasurably better than the "catch-as-catch-can" style of doing business, by which men are simply sent out to go after business according to individual ideas and without any unit of the sales organization having a definite task or standard or having any knowledge of what other units are doing. This lack of system brings about erratic price situations, worries about expenses, and all the usual weaknesses that are likely to exist where men and managers do not

understand at the outset what is expected or what can and cannot be done.

The Palmolive Company's Sales Organization.—The Palmolive Company's sales organization consists of eighteen sales districts covering the entire United States. Each district is in charge of a manager who is known as a district manager. The individual salesmen operating under the direction of the district managers are known as "unit" salesmen and the smaller territories as "unit" territories. Each salesman sells the entire group of Palmolive products but is aided from time to time by free-lance special men who go out from the home office to help the regular men on the firing-line, where conditions make special aid advisable.

What the Palmolive Sales Records Show.—The sales records of the Palmolive Company show the classification of the sales of the various commodities by geographical divisions. The yearly summaries show exactly how many boxes of soap, bottles of perfume or toilet water, tubes of shaving cream, etc., have been marketed in each unit territory and the summaries are also totaled for each district in each state. They show the average price for each commodity.

Methods of Determining Quota.—In attempting to establish the quota for a new year, a close study is made of the classified records of sales. Consideration is given not only to what increase each of the five departments ought to have during a new year, but also to the sales in each territory on the products of that particular department and the company's best knowledge of business conditions and sales possibilities. Each of the eighteen districts is studied in its turn. Quoting again the comptroller of the Palmolive Company:

But our procedure is not to decide, "This district shall carry such and such a proportion of the total quota of sales" and so jump at an arbitrary conclusion. Rather, our method is to go back to our commodities, to take each article—with its individual quota already established—and project that article upon the district we are studying. Our question, then, is this: "How many units of this article can this district be expected to sell in the coming year?" To answer that question we must study the district's classified record of sales.

How many units of this article did this district sell this year, and with what ease or difficulty? What, with relation to this specific article, are this district's prospects for the coming year? What sort of district is this? Is it an Eastern district containing many big cities and a heavy proportion of foreign population; or is it a Southern district, containing many negroes? If the article is a toilet preparation whose volume of sales depends upon advertising, we must remember that the potency of advertising in any locality is measured by the number of people in that locality who read the newspapers and magazines.

The Palmolive Company, in its conferences, recognized that the market for a staple commodity may not be influenced materially by business conditions that are purely local. A manufacturing or building boom has been found to be much less important to this concern and to have much less influence on sales than in the case of a seller of raw materials or building products. It is also taken into account that a given market may be so saturated through intensive effort that it is not possible in a succeeding year to bring about the same increase. Therefore, while one district may be allotted a quota calling for a 30 or 40 per cent increase on one product, the percentage on some other product might be 5, 10 or 15 per cent. But when the allotting and figuring has all been completed, the general average of increase on each product in the eighteen districts must be in accord with the increase of sale that the company believes, for good and sufficient reasons, should come for one of its products or for a group of its products.

The Yearly Conference.—An annual conference is held well before the beginning of a new year. After the district managers have gone over the situation thoroughly with the general executives they go back to their respective fields to go through small similar conferences with their own men, analyzing records, assigning the new tasks, and arousing the enthusiasm of the salesmen over the work to be done.

Salesman Campaigns.—A "commission quota" is established by each unit salesman. To earn this the sales representative has to sell a minimum number of units of each product. Again quoting Mr. Lutterbach:

When the salesman has sold that minimum number of units he begins to draw commissions on his sales of that article. Poised somewhere above that minimum of requirement is another mark, a sort of theoretical ideal, for which, after he has attained his commission-earning quota, he can continue to strive. On a given article, for example, his commission quota may be 75 units. Above that mark of 75 is another mark of 100. He hustles to sell his 75 units so that he may begin to draw commissions; then, after he has sold his 75 units, he hustles to sell 100, so that he may impress his district manager and the home office and gain money and honors. His actual quota—his actual share of the general quota of sales of that commodity—is somewhere between his minimum of 75 units and his maximum of 100.

Methods of Stimulating Unit Salesmen.—Each salesman not only has an incentive, in that he must make his own quota in order to qualify for commission and to earn extra money, but he knows what he must do to equal the efforts of fellow salesmen or to beat their records. The *Palmolive News*, an internal house organ, carries the individual selling record of every man in the organization every month. It is a barometer of the efforts of the entire organization, watched not only by the men in the field but by the home office executives as well. A "Poco Club" is maintained. Membership in this organization is obtainable only by those men who have sold 100 per cent of their respective quotas in all products by the end of the tenth month of the year. Membership in this club is regarded as a mark of honor, for at the end of the year all members of the "Poco Club" are invited to Milwaukee, with the district managers to the annual convention, coming at the expense of the manufacturer for a week's entertainment.

Value of Budget System in Checking Slumps.—The budget system gives chief executives and the district executives an opportunity to see just what is happening at any stage of the year. As the company puts it, a Palmolive executive displays no great enthusiasm over learning that the company's sales for a certain month equal a certain total. He is more stirred over the fact that on the fifteenth of June the organization has attained 60 per cent of the year's quota.

To the management, there might be nothing especially ominous in the fact that District X sold, last month, only \$14,000 worth of article A.

What would cause the management to sit up and display an active interest would be the fact that at the end of last month, with the seventeen other districts standing at 56 per cent of their year's quota on Article A, District X stood at only 41 per cent. Right there the management would want to know "What's wrong?"

When a district falls behind, or when a commodity slumps in sales, that district or that commodity, through its percentage story of progress, admits its own dereliction. The management investigates, then acts.

An instance is cited of where in one territory the sales of toilet soap, shaving cream and shampoo were falling behind. An analysis of the situation showed the need of concentrated missionary work. Hence, a large mailing-list of householders was obtained and to each name on the list a little package of samples of the three commodities was sent, with appropriate literature. The salesman of the territory and the dealers were kept in touch with the plan and the dealers were urged to get ready for the extra business that was sure to come. The sampling plan proved effective and in a short time the record on the three commodities shot upward to the required mark.

How the Slump on Shampoo Was Checked.—Another enlightening instance of analysis is described by the Palmolive Company. This advertiser brought out a new shampoo that was put in a beautiful bottle in the shape of a heightened pyramid. The top of the bottle was frosted, and a handsome label was designed. The bottle itself was twice the capacity of ordinary shampoo bottles and it was sent out at a price that enabled the dealer to sell the new, glorified package for 75 cents. A preliminary research among the dealers themselves showed a great deal of enthusiasm. Most of the dealers thought the bottle itself would sell the shampoo.

But the Palmolive method of analyzing and showing sales progress quickly revealed something wrong. There was a reasonable amount of preliminary buying but then the sales on the new article slumped badly. The beautiful shampoo bottles remained on the dealers' shelves. Here, the company was in the position of offering both beauty and quality and still the public held back. So the company had a problem in public psychology to solve. It had to go to the public and

ask what it really did want when it went into the drug store and asked for a supply of shampoo. The results showed that the demand was for a 50-cent product rather than a 75-cent package—that the average buyer was not so much concerned with the amount he was getting as he was to buy 50 cents' worth. Still more important, he was not looking for a barber shop package—for a beautiful pyramid-shaped bottle with a frosted top that stood seven inches tall. In fact, this was too high to go on a shelf in the medicine cabinet which was a fundamental fault. So the company immediately devised another bottle selling at 50 cents, a smaller, plainer bottle with the ordinary Palmolive label. While it held only about half as much as the show bottle, it was small enough to go into the average medicine cabinet, and the sales of the new package have been kept well up to the quota.

Exhibit 204 shows the Palmolive Company's method of comparing sales and overhead each month.

SALES HISTORY OF HOLEPROOF HOSIERY

The Holeproof Hosiery Company, of Milwaukee, started in a small way from the sales of home-made hosiery by the mail-order plan, selling six pairs for \$1.50.

Originally, the name of the firm was Kalamazoo Knitting Mills. As a selling plan, the company guaranteed its goods for a 6-months' period, offering to make good any hosiery that did not measure up to this standard. Thus, the manufacturer realized early in his experience the value of a distinctive selling idea. The true sales value soon created a demand on retail merchants, who asked the manufacturer for prices. So many of these inquiries were addressed to the "Holeproof Company" that the advisability of changing the name of the firm was soon realized.

Exclusive Agencies Originally.—At the outset, exclusive agencies were granted and window-trim contests and other contests were encouraged as a means of stimulating aggressiveness among the dealers. Before long, however, the company became aware that the exclusive agency plan would not work out well in the large centers—that while articles of large price, such as pianos and automobiles, might be sold

to advantage through the exclusive agency, the public wanted to find such an article as hosiery in the first store visited and would not shop around among different stores to get a certain brand.

Consequently, the exclusive agencies were soon abandoned, except in the very small cities. Cases were cited where merchants were dissatisfied with this change in policy and declined to handle Holeproof Hosiery, only to come back to the company after a year or two of experience with a competitive brand.

Change in Guarantee Feature.—While realizing that the guarantee plan was a good selling scheme at the outset, this manufacturer soon came to the conclusion that it was unfair to the purchasing public generally. Edward Freschl, president of the Holeproof Hosiery Company, explains the company's attitude and its reasons for altering its policy, as follows:

For the guarantee, in effect, was a scheme. We were confident that our hosiery would give considerably more wear than any other hosiery on the market at the time of its appearance. The exact degree of superiority, however, was problematical. Obviously, nobody can tell how long a pair of socks will wear under different conditions. There is no such thing as an average condition. One man wears a pair of socks only one day and has them laundered, another man wears them three days. One man owns only half a dozen pairs altogether, while another has three dozen pairs in regular use. There are many variants of these conditions; but in spite of them, we arbitrarily fixed the time of wear at six months.

Our feeling was, of course, that we could afford to gamble on the customer's sense of fairness in at least a large majority of cases; enough to protect us in those cases where we were called upon to make the replacement under the guarantee. But in practice that worked an injustice on customers. It divided the burden unfairly. Those customers who felt that they received their money's worth without resorting to the guarantee—and these customers were of course very largely in the majority—really paid in the purchase price for the extra benefits secured by others who did take advantage of the guarantee, whether legitimately or not.

Mr. Freschl gives the further information that on some of the lines of hosiery the return before the end of the 6-month

period amounted to 20 per cent, although the average was very much less.

At the time the change in policy was debated it was questioned whether or not such a vital feature of the selling plan could be dispensed with. Many of the retailers advised against an abandonment of the Holeproof guarantee. In order to be sure of his ground, this manufacturer put out another brand without the guarantee. Finally, the guarantee feature was dropped with practically no difficulty when the foreign and the domestic demand was particularly brisk.

Essentials of Good Sales Campaign.—In giving the net results of his experiences, Mr. Freschl says the fundamentals of a good selling campaign demand:

1. Necessity of having a good product.
2. In the long run, exploit the product rather than a scheme or plan.
3. Do not expect wholesalers or retailers to create a demand for the article.
4. Work with the end in view of general distribution rather than exclusive agencies, although the latter plan requires very little time to get distribution started.

DEMONSTRATION CAMPAIGN OF BAKING POWDER COMPANY

The manufacturers of Magic Baking Powder, of Toronto, Canada, employ regularly from thirty-five to forty, graduates and under-graduates of domestic science schools, for demonstration work in the stores of dealers. These well educated, competent girls are given thorough training by the head of the E. W. Gillette Company, who is a domestic science expert.

How Demonstrations Are Planned.—During certain seasons, regular demonstrations are scheduled in given territories and the bookings are made by the salesmen. In other seasons, the demonstrators themselves conduct demonstrations and secure the bookings.

It has been found advisable, in general, to interest the dealer's wife also in the coming demonstration. The company provides a list of gifts from which the salesman may select, presenting the dealer's wife a gift as an aid to securing her

cooperation. No discounts or other inducements are made to urge the dealer to buy stock before the demonstration.

The amount of local advertising and store- and window-displays are based on the preliminary observations of the salesmen. This local advertising consists of intensive newspaper publicity, slides in the moving-picture houses, house-to-house distribution of samples, posters and advertising novelties. All of this work is done just preceding the demonstrations by a crew of two men who travel in an automobile.

The demonstrators are not saleswomen. They make no attempt to sell any of the baking powder. Their sole object is to give a short course in home-baking. They buy all of their materials from the dealers, but carry their own cooking utensils. They give recipes, demonstrate cake-mixing and baking and distribute samples of their baking. At an appointed time, a formal demonstration is staged, when cakes and pastry are prepared and served, cook-books are distributed and the demonstrator answers questions put to her by patrons of the stores. In some districts these demonstrations are supplemented by baking contests among children.

Dealer Cooperation.—Dealers in some cases have shown their appreciation of the plan by having large signs painted to announce the coming of the demonstrator. Dealers generally have expressed approbation of the method and the company plans to extend its activities in this direction.

The general interest created by such a demonstration is helpful to a dealer, but it is the work of the demonstrator not only to show the use of baking powder, but to advise as to the best materials to use for the entire baking operation. This means that the demonstration helps to stimulate the sale of all baking materials. In some instances the demonstrator has called special attention to the dealer's stove used. Her prestige as a domestic-science expert gives weight to her comments.

CONSUMER CANVASSING TO INTEREST DEALER

The experience of a manufacturer of cake flour shows how consumer canvassing may be made to pave the way quickly for the distribution of a new product. This manufacturer

had learned through investigation that dealers had been disappointed so often with the results of campaigns, put before them merely in the form of impressive portfolios, that they were inclined to refuse to put in new products.

The dealers' usual answer was to invite the manufacturer's representative to go ahead with the campaign; that they would fill the demand when it was made; but that they did not care to purchase up the manufacturer's product immediately. To overcome this objection, the manufacturer offered to guarantee the dealer the sale of one-half the stock he ordered. This guarantee was fulfilled by employing middle-aged women to conduct house-to-house canvassing by blocks. The crew worked in the neighborhood of the merchant. Nearly a year's experience with the plan has demonstrated its success.

Outstanding Details of the Plan.—The women were paid \$20 a week, to which was added a commission of 2 cents for each package sold. The retail price was 35 cents a package. Each woman carried a demonstration case, in which were two cakes and also samples of the flour. Cash sales were made and a receipt given over the name of the local dealer. The duplicate receipts were turned over to the grocer and the orders filled from his stock.

As soon as 50 per cent of the stock had thus been sold, the dealer was asked to sign a statement that the guarantee had been met. This enabled the canvassing crew to pass on to new territory.

This plan had the following impressive features:

1. The dealer had a quick sale of half of his purchase.
2. He saw what aggressive salesmanship could accomplish.
3. He was not long in getting repeat orders. New customers began to come, because of recommendations of the first customers to their friends and neighbors.
4. The dealer being satisfied with the arrangement, it was not difficult to get the jobber to order 25 per cent more than the grocer agreed to take.

If goods possess the proper merit, such a campaign is well started in a short time as compared to the time likely to be required through advertising alone or through window trims or

store demonstrations. It is stated that this manufacturer secured, 3,500 dealers in less than a year, and that he had to use newspaper advertising amounting to only about \$15,000 to supplement the selling work of the canvassers.

Cost of the Work.—Each crew of the cake-flour manufacturer was in charge of a manager who received \$40 a week. The saleswomen averaged about forty sales a day. The selling cost averaged about 12½ cents a package, but as the dealer agreed to take twice as much goods as were sold by the canvassers, and the jobbers were generally willing to buy 25 per cent more than the dealers ordered, the company could count on the sale of about 2½ packages for each cost unit of 12½ cents. The final cost was about 5 cents a package—a low cost for introducing an article of this kind.

It is said that several other manufacturers—operating along the same line—have not been as successful nor had as low a cost record as the cake-flour manufacturer. Something undoubtedly depends on the nature of the product. A feature in favor of the cake-flour was an opportunity to make two sales—a package of flour for the baking of light cakes and one for the baking of brown cakes.

FULLER BRUSH HOUSE-TO-HOUSE CAMPAIGN

The following facts, taken from a description of the Fuller Brush selling campaign as given by Alfred C. Fuller, president of the Fuller Brush Company, in the *System* magazine for December, 1922, afford a good illustration of the methods of a successful house-to-house selling organization.

The Fuller products are not patented articles, for the most part, but are brushes of various kinds, made to do certain work very efficiently. They are also brushes that lend themselves well to demonstration.

Why Retail Stores Are Not Used.—The president of the Fuller Brush Company explains that his company has no quarrel with the retailer, but he does not believe that the retail store is ordinarily equipped to make a thorough job of the selling of brushes. He thinks, in the first place, that good brush salesmanship calls for a larger assortment of brushes

than most retail merchants are willing to carry, and also for more effective salesmanship and demonstration methods than the retailer is often prepared or willing to give. So the Fuller Brush Company follows the plan of providing a large house-to-house representation, supplemented by good advertising.

In 1915 the first branch office was opened. In the early part of 1923 the company had more than 200 branches, with nearly 4,000 salesmen, covering the entire United States, Canada and the West Indies, which gives some idea of the effectiveness of the selling work of the organization. One of the reasons for having so many branch offices is the fact that the company makes it a rule to deliver brushes within a week or ten days from the day of sale. So convenient bases of supplies had to be established.

Requirements of Salesmen.—Salesmen are required to deliver the brushes themselves, and in many cases additional demonstrations are made at the time of delivery. The success of the organization may be said to be built up around "service salesmanship," both in demonstrating the uses of the products sold and in supplying the particular kind of brush that may be needed at the time when needed. The slogan of the firm is, "Head to foot; cellar to attic; 45 kinds for 69 uses."

In house-to-house selling, as in other fields, great difficulty is encountered in securing the right kind of representatives. In the Fuller organization this is done through the aid of advertising. The selecting of men is now handled entirely by the different branches, and every man employed is given an exclusive territory—so exclusive, in fact, that should a salesman make a sale in the territory assigned to another man, the commission on such sale would go to the man in whose territory the sale was made and not to the man making the sale. Everything possible is done to emphasize the agent's responsibility for his field as a permanent possession, so that he will sell for all time and not just for the present. It is the policy of the firm to advertise men as well as products, which has had a pleasing result in loyalty and cooperation.

Experience with College Students.—Ten years ago this manufacturer tried, for the first time, the plan of taking college

students as salesmen during their summer vacations. The first corps of 85 students proved so satisfactory as Fuller representatives that the next year several hundred were employed, with a gradual increase from year to year, as conditions demand. Many of these students secure permanent positions with the organization after their college courses are over, so well pleased are they with the work.

Compensation of Salesmen.—All Fuller field representatives—both branch managers and salesmen—are compensated on a strictly commission basis, but the man who does his work well is sure to be promoted. The commission earned by new salesmen is about \$30 a week, while those who have become expert make from \$50 to \$100 a week.

Approach Methods.—Since 1915, the selling plan of this organization has been that of having the salesman leave at each house which he intends to canvass a card explaining that he will call later and make the housewife a present of a free brush. When a few days later the call is made, in addition to the free brush, the salesman carries an advertising portfolio, containing attractive pictures of practically the whole family of Fuller brushes, showing the use for each. He also carries a few of the most generally used brushes.

Instead of attempting at once to make a sale, the salesman simply explains or demonstrates the usefulness of the little brush that is being given the householder. This excites interest and attention and gives the salesman a better opportunity to present the points in favor of the products he has to sell, which is done largely through the use of the advertising portfolio and actual demonstrations with the assortment of brushes carried. In his demonstrations the salesman is careful to use a brush as near like the brush in which the householder has shown an interest as possible. The company regards the free brush a very important part of its selling plan. During 1922 alone about 10,000,000 free brushes were distributed.

Sales Records.—Each salesman is expected to make approximately 15 demonstrations every working day. This means more than 15 calls a day, for the salesman will not be lucky enough to make a demonstration in every home at which he calls. It is estimated that a sale is made for every

two demonstrations. The average sale amounts to from \$4 to \$7.

The brushes are not paid for at the time the order is taken but when delivery is made a week or so later. The company figures that this tends to promote the salesman's confidence in himself and the company's reputation for reliability, while at the same time providing the personal contact with the householder, which is such an important factor in the marketing of Fuller brushes.

Additional Details.—Early in 1923, in a talk before an organization of business men, President Fuller of this company, gave the following additional facts of the development and working plans of his enterprise:

From 1906 to 1910 the company was practically a one-man organization. I spent most of my time traveling and selling the brushes myself. While I was calling at the homes in a certain town I would be on the lookout for a resident salesman to handle our product, but I could not often find the man I wanted.

In 1910 I was in Syracuse, N. Y., for a short time. The magazine *Good Housekeeping* was using the names in want ads as a mailing list and I got from the publishers a circular suggesting the use of their columns. It looked pretty good to me, so I took a 4-line space in the magazine at a cost of \$10, and when I sent it in I never expected to hear from it again.

That was our first advertising, and much to my surprise I got several hundred replies, from which I signed up a number of salesmen.

We went along for the next five years distributing our product through salesmen we got through such methods. I fixed up an outfit which we sold to salesmen for \$5, with the understanding that after they had sent us a certain number of orders the \$5 would be refunded to them, but under this plan we had no control over our salesmen, and while some of them were good others reflected no credit on our organization.

In 1915, however, we opened our first branch house, in Boston, and began training our own salesmen. That, in a way, marked our real start. About the same time we began to advertise regularly in *Good Housekeeping*, which like other high-class publications guarantees the faith of its advertisers, and that gave our salesmen a wonderful talking point.

In the first place, the endorsement of these advertising mediums has given the public a confidence in our product. In the second place, it has attracted to our organization some of the best salesmen in the country and has enabled us to employ a high class of men.

In addition to our advertising in national mediums we spent last year (1922) a sum of \$90,000 for newspaper advertising. This newspaper copy enabled us to talk about local conditions and was a very valuable supplement to our large campaign, being both quick and effective.

COOPERATIVE CAMPAIGN OF THE NATIONAL DAIRY COUNCIL

Government figures show that during one recent year the consumption of milk has increased about 14 per cent and the consumption of butter about 10 per cent, with a gratifying increase in the sale of other dairy products, such as cheese and ice cream.

This healthy increase has been brought about largely by the national campaign that has been conducted throughout the United States, based on the attention-attracting and appalling fact that practically a third of the children of America are undernourished or improperly nourished.

Of course, the dairy industry is particularly fortunate in that its products are so essential to health that they may be exploited through the public schools and national health associations or conventions.

Use of Local Organizations.—So far, practically no national advertising in magazines and newspapers has been undertaken, the work being confined to exploitation through Red Cross workers, school teachers and officials, home demonstration agents and other educational leaders. A vast amount of material on the value of milk, butter, cheese and ice cream in the diet of growing children has been brought to the attention of the public through these health and educational workers. The Council has also sent speakers to national conventions of physicians, dentists, teachers, dairy organizations, etc., with exhibits and posters that tell in a most forceful way the part that dairy products play in bringing about a normal, healthy condition.

The most effective work has, however, been done through local campaigns conducted in many of the principal cities of the United States by interesting local milk producers and inducing them to furnish the necessary funds for the publicity work, which is conducted through the schools, women's clubs, and civic organizations. Billboards, window displays, demonstrations and some little publicity in the local press are also made a part of these localized campaigns.

Raising of Funds.—The funds for this work are usually raised by having milk producers contribute 1 per cent on each

100 pounds of milk produced, and by having milk dealers contribute 1 per cent on each 100 pounds of milk purchased from the producers. In this way in large cities the Council is now raising from \$40,000 to \$75,000 a year for localized work.

The Council workers are all men and women of special college education or training in nutrition, dietetics, or with a



EXHIBIT 205.—One of the numerous school posters used in the National Dairy Council campaign.

thorough knowledge of the dairy industry and its problems. A few of the workers have received special instruction on the staging of milk plays and pageants.

Variations of the Promotional Effort.—The work in the schools consists of weighing and measuring the children, giving demonstrations or staging exhibits, plays, pageants, poster

contests, and establishing milk service—making it easy for each child to get a certain quantity of milk at a given time during the school session. The children, by bringing to their teacher a certain number of cents a week, are supplied at a given hour with a bottle of milk and are encouraged to drink it right from the bottle.



EXHIBIT 206.—Some of the billboard posters, 9 × 20 feet, used in the National Dairy Council campaign.



EXHIBIT 207.—Examples of billboard posters that were also made up in smaller sizes and used as window posters.

In some localities movie films and slides, as well as street-car cards, are also made a feature of the campaign.

Exhibits 205, 206 and 207 show one of the school posters and two of the billboard- or window-posters used in these campaigns.

SECTION XXIV

SUCCESSFUL SALES TACTICS

The word "tactics," like the words "policy" and "service," covers a broad field. It is the purpose, however, in this Section to deal not with extended plans or campaigns but with a variety of instances and experiences in which the salesman's skill or resourcefulness at some stage of his work turned the tide in his favor.

Getting on a Plane with the Prospective Buyer.—Success in selling depends largely on the ability of the salesman to get on the same plane with the customer. This does not mean that the man who is selling goods must necessarily forego convictions on essential things or that he must cringingly agree with every foolish notion a customer may advance. It does mean, however, that the man who makes out of his selling errands opportunities for talking only about himself and his interests or views will not get very far.

The prospective customer, whether he be consumer, retailer, or other buyer, is naturally more interested in his own affairs. He warms up, as it were, to the man who approaches him in a spirit of harmony or helpfulness. This idea is expressed very aptly by the Diamond Salt Company in its house organ, *The Salt Seller*. The writer of this item argues that the salesman should talk along "you" lines rather than those of "I" and "myself."

Remember that the other fellow firmly believes in himself and that:
His religion is just a little better than the one you have.
His politics is the only politics.
His particular experience proves more than your logical argument.
His ideal of success is better than yours.
His safety razor cuts better than yours.
His wit is original; he's heard your stories before.
His car is the best for the price on the market; because it's a traveling vindication of his best judgment.

You will never get anywhere trying to argue him out of these prejudices. Do you suppose that he is going to admit that you are brighter than he is? Self-respecting men don't do that.

Even the self-pitying *genus homo* is pitying himself because other people are too blind to appreciate him.

Battle with your customer, and he will wait until a more intelligent salesman comes along—one who has brains enough to appreciate him.

Make the customer think that you have discovered him, and he will advertise you as a great prophet and tell his customers about the merits of your merchandise.

Old stuff, you say. So is human nature!

Learning about Interests, Habits and Hobbies.—The more a salesman knows about his prospective buyer's habits, interests or peculiarities of temperament, the easier it will be for him to find a way to approach the man in a favorable manner. A new salesman was being instructed by his sales manager in regard to approaching a buyer who was known to be a "hard nut to crack." Together they discussed all they had heard of the man's characteristics and decided that the point of attack should be his vanity. Accordingly, the young salesman set out to interview the prospective buyer, not apparently to endeavor to make a sale but to get his expert opinion on a new kind of goods the firm was putting out. The salesman created the impression that he had called to learn all he could from a recognized authority. By thus catering to the man's egotism his habitual defensive attitude was modified, the salesman handled his interview well and, to make a happy ending to the story, also secured a good order.

The salesman's knowledge of the hobbies or peculiar notions of those on whom he calls is a great asset. While there are unusual methods of getting in to see men who are difficult to see, it is a great advantage to gain an entrance on some plea or reason that commands favor, otherwise the prospective customer may be annoyed at being outwitted and will be quick to arrange an exit for the intrepid salesman.

A Chicago sales manager found that one of his salesmen had made sales to a man previously reported as one impossible to see. The secret was simply that the salesman had learned that the man in question was greatly interested in work among young boys. The salesman made it his business to dig

up something connected with boys' work. He was invited in when his errand was made known and after a chat on the "impossible" man's hobby, the salesman was asked about his business, encouraged to call again and eventually secured orders.

When to Talk about Goods and When about Hobbies.—Some men are so difficult to approach with a straight message about goods or service that resourceful salesmen adopt the plan, so often advised by sales managers, of learning about a man's hobbies or special interests, and strive to get a point of contact that way. Sometimes the conditions are such that a salesman finds it advisable to get well acquainted with his prospective buyer before even mentioning the product or service that he represents.

Yet, it is easy to err in following a plan of this kind. Some buyers complain that the salesmen who come in to see them irritate them and waste a great deal of time by obvious attempts to "get next to the customer" by talking about golf, political affairs, social matters or something else regarded as an easy channel to the buyer's mind. Some men are very keen to detect an effort to flatter or "cultivate" them and very much prefer that the salesman proceed to a businesslike discussion of his errand. If he takes up too much time with side-issues, such a buyer is likely to conclude that the salesman's proposal is weak—cannot stand on its own merits but must be forwarded through personal relationships.

There can be no rule laid down. The salesman must simply learn to discriminate.

The Problem of the "Sphinx" Buyer.—Some very important buyers among executives have schooled themselves to engage in little or no conversation with the salesman but to sit Sphinx-like in their chairs and let the salesman maneuver as best he can without any hint as to whether or not he is making an impression. Such buyers give the salesman his greatest problems, for it is very difficult to continue an argument with no knowledge of whether or not it is in the right channel.

One of the best known interviewers of public men gives salesmen a helpful hint in dealing with such persons. This successful interviewer says that his best form of tactics is to

learn beforehand of some subject in which the prominent man is particularly interested and to draw him out by pointed questions on this topic. He finds that even the busiest of men will talk about the things nearest their hearts.

Dealing with Firmly Set Objection.—The salesman will often run up against an objection or opinion that is so deeply set that a powerful, direct effort to uproot it from the prospective purchaser's mind may be futile—may only plant it more deeply. The prospective purchaser is likely to have pride in his own convictions and at times to be obstinate. As a mere matter of personal satisfaction he will "stick out" an objection of this kind for an adverse decision. One sales manager advises his men to deal with such situations as one would deal with a balky horse; that is, not to force the animal but to divert him and then try again. By dropping the point pleasantly as if the salesman is not disposed to argue about it and leading the conversation along other lines, a salesman can often come to a common ground of agreement and make such progress that the prospective purchaser will not bring up his objection again but buy in spite of it; or if he comes back to the point again he may take a more good-natured view than he did on the first discussion. It is certain that if he is convinced generally of the merit of what the salesman offers, he will not allow an objection on some secondary point to hinder him from buying.

Salesmen Must Expect Some Embarrassing Experiences.—The salesman must, like the newspaper reporter, be prepared for embarrassing experiences. He must learn not to take these too seriously, but to regard them as a part of a great interesting game; in other words, be a good sport and laugh at some of his mishaps and misadventures. Buyers do not always mean to be inconsiderate or cruel. Many a man who is discourteous to a salesman is so only because he is solicited incessantly and often has many burdens on his mind. Other men, just in a spirit of deviltry, get fun out of upsetting the salesman in his argument.

A hosiery salesman says:

I took a new job a few weeks ago and on the first trip out the sales manager thought it would be advisable to go along with me. I did

not like the idea very much, but of course it was not up to me to say so. We were under instructions from the head of the business to push certain lines of semi-novelties that had not been selling very well, and I was all primed up with selling talk along that line. The first buyer we ran up against knew the sales manager and greeted him profusely, but he gave me a kind of "Who-is-this-fellow?" smile.

I felt in my bones that something was going to happen that would not be very pleasant for me, but I took a deep breath and waded in. Afterward the sales manager was good enough to tell me that I pulled off some of the best selling talk he had ever heard, but so far as the buyer was apparently concerned I might just as well have been a monkey on a stick. All the time I was talking he kept up a running fire of comment to the sales manager, asking him where he ever picked me up, if I was the kind of salesman the firm was hiring nowadays and a lot of other things calculated to make a man feel red, if not see red. However, I said my say right to the last word, and when I had finished he told me to make out an order for so many dozens of one number, so many of another, etc., until his total represented a very tidy sum.

I learned from the sales manager later that this was the buyer's usual way of dealing with a new salesman, and that if a man could not be made to quit by the running fire of "kidding" he kept up, he was certain to land some kind of an order. It happened in my case that I had what he wanted at the right price, and he probably would have placed the order anyway. However, he certainly gave me the most uncomfortable half-hour I have ever experienced.

Salesmanship Calls for Nerve.—Like the newspaper reporter, the salesman also has need often for the nerve or courage to do daring things and to do them confidently.

A salesman with a good record in selling a service to bankers recently secured an entrance to a bank president's office, only to be diverted to the publicity man of the bank. This salesman did not, nevertheless, seek an interview with the publicity man, for he knew that the president was the only one with sufficient authority to take action. He again sought the president's den, and when asked about the publicity man said: "This is something he cannot do. He can make a report, but it won't be right, because he won't see my proposition through the eyes of the man who gets the dividend checks." "Tell me about it in ten minutes," invited the president,

though a bit amazed at the salesman's nerve. The explanation was impressive and a vice president and the publicity man were called in. "Very well, we think your plan is worth considering and we will take it up with our board," was the conclusion of the bank men. "Pardon me," said the salesman, "but it will be impossible for you to present this proposition to your board as it should be done. I am the only one capable of the task." And he actually gained his point.

(Summarized from *Salesology*.)

Louis T. Orr, in the *National Real Estate Journal*, thus defines the proper mental attitude for the salesman:

Keep in mind that the main object of salesmanship is making a sale and work continually to attain that end.

Don't procrastinate. Don't put off your calls habitually or some one else will beat you to it.

Don't be afraid. A well informed salesman must have nerve to approach his customer and present his proposition and arguments.

Don't get in a rut.

Don't put a limit on your own ability.

Above all—*don't get discouraged.* The words "It can't be done" must be forever stricken from the salesman's mind. Such words are not known to the successful salesman.

Don't be a quitter. Always leave your customer so that you can come back. Finish what you start. One sale is worth a hundred prospective sales.

Don't scatter your shot. Concentrate on one or two deals and see them through.

DEALING WITH TECHNICAL MEN AND PURCHASING AGENTS

Particularly with the larger business organizations has the purchasing agent grown in power. The centralizing of buying saves time and money. Not only has the well organized purchasing department greater facilities for knowing where certain material may be purchased to advantage, but it is better qualified, as a rule, for making purchases on the most favorable terms. Its standard procedure, with reference to the placing and following up of orders, prevents misunderstandings and possibly suits, makes delivery more certain, and so forth.

Exhibit 208 indicates a list of questions sent to some three hundred manufacturing, mining, railroad, public service and educational institutions. Seventy per cent answered the questions and a summary of their answers is shown in the two columns on the right of the table.

TABLE I
FACTS ABOUT THE SPECIFYING OF PRODUCTS

Question	Yes	No
Are <i>all</i> purchases made through the purchasing department?.....	145 (63.3%)	84 (36.7%)
Are purchase orders signed or otherwise approved by an official other than the purchasing agent?.....	28 (12.2%)	201 (87.8%)
If requisitions specify a particular make, can the purchasing department substitute satisfactory material?.....	196 (86.3%)	31 (13.7%)
Are salesmen permitted to interview officials other than the purchasing agent?.....	78 (33.8%)	151 (66.2%)
Is the purchasing department consulted in establishing standards or specifications for material?.....	206 (90%)	23 (10%)

EXHIBIT 208.

Exhibit 209 indicates the result of a survey among 299 industrial plants to determine the real authority in purchasing.

It should be borne in mind that these tabulations are from studies made among the larger organizations. Having been conducted by *The Purchasing Agent*, a magazine devoted to the work of purchasing agents, it must be expected that facts presented would put the purchasing agent in the best light.

It is not likely that among smaller organizations the purchasing agent represents quite as much power. It is difficult, too, to show by such a table just what the influence of other members of an organization may be.

It is significant that the answers shown in Table I indicate that, in about one-third of cases, salesmen are permitted to interview officials other than the purchasing agent. If the exact

facts could be ascertained, it is likely that they would show that, in one way or another, keen salesmanship finds a way, in more than two-thirds of cases, to bring influence to bear on the engineer, the plant superintendent, the sales manager, office manager, or whoever finally has to make use of the product. This missionary work may not always be done at the company offices; it may be done at lunch, at a club, on the golf links, through a casual talk on the train or on the street.

TABLE II

WHO IS THE REAL AUTHORITY IN PURCHASES FOR INDUSTRIAL PLANTS

(The figures represent responses from 229 industrial corporations)

Official	Raw material	Finished parts	Power transmission	Factory supplies	Office equipment	Office supplies	Shop machinery	Shop equipment	Automobiles	Lubricants	Fuel	Small tools
President.....	6	1	1	...	1	1	6	3	9	2	1	...
Vice president.....	6	...	...	...	2	1	1	1	7	1	1	...
Secretary.....	1	1	...	...	4	2	...	...	...	...	1	...
Treasurer.....	2	...	...	...	...	1	1	1	3	...	1	...
General manager.....	6	1	9	2	2	...	29	19	19	3	3	4
General superintendent.	3	3	20	6	1	1	58	52	12	6	2	12
Engineers.....	2	4	17	...	...	...	18	19	2	13	7	4
Master mechanic.....	...	1	4	...	...	...	4	3	1	...	...	...
Special buyers.....	8	...	...	...	...	...	6	2	1	...	2	...
Executive committee...	1	...	...	...	...	...	2	2	2	...	...	...
Purchasing committee..	2	...	...	...	...	...	4	1	4	1	...	...
Office manager.....	...	...	...	...	13	5	...	...	...	...	...	...
Miscellaneous officials..	2	1	1	2	10	9	2	4	7	14	6	4
Purchasing agent.....	186	205	176	219	194	209	94	119	141	184	203	201

EXHIBIT 209.

The tables do, however, show very impressively the necessity for concentrating on the purchasing agent and for being exceedingly tactful in order not to antagonize him when circumstances make it desirable for an impression to be made on some one else in the organization.

The following suggestions, from the *Associated Business Papers News*, should be helpful in the development of the sales-

man's tactics with the technical men of industrial concerns as well as with purchasing agents.

Nearly every industrial or institutional enterprise has in its employ—either wholly or as a consultant—one or more technical men. Architects, construction engineers, mechanical engineers, electrical engineers, chemical engineers—these are some of the men who bear a growing share of the responsibility for recommending or specifying materials by name in connection with the work of the purchasing department.

In the earlier history of industry these men functioned more largely as consultants in the design, erection and equipment of plants; later they were called in to share the responsibility for developing new processes and methods; and their activities have continued to grow until with many of them the advisory capacity has been consolidated with actual production responsibility.

With this growth of production responsibility has naturally come a greater purchasing responsibility. No executive whose task it is to keep down manufacturing costs and operating costs in general can afford to overlook the proper selection of materials, equipment and methods down through even the most insignificant department. Even though he may delegate the deciding authority to a minor executive, nevertheless he must check up and satisfy himself from time to time that suitable purchases are being made by his subordinates. Even the architect, by a single mistake in plant layout, could cost a manufacturer or institution thousands of dollars that might have been saved by better arrangement of floor space; so it is evident that he, too, carries a load of responsibility for selecting proper construction materials to conform to his design requirements.

The sales manager is vitally interested in production cost because his selling cost is based upon it. Very frequently he is a contributor to discussions among the engineering and production executives on the extension and development of the plant. He is also actively concerned with the materials and workmanship in the products which he sells; he cannot compete successfully with another concern having better quality goods at the same or lower price.

The treasurer or auditor, the vice presidents, and sometimes the president and secretary of an industrial or institutional corporation are at times less intimately connected with the actual buying decision, but nevertheless their supervisory influence is felt throughout the plant; and their enmity or good-will is a factor to be reckoned with.

Two extreme cases may be cited as showing the varied limits of the purchasing agent's function in specifying products purchased. In some instances he has the entire decision; he is merely told to buy a new belt for such-and-such machine. He must then find out and decide among the many brands of belting, selecting that which will meet the particular

requirements of the machine at a reasonable price. He is then the "key man" in the sale.

At the opposite end of the scale is the case wherein he receives a requisition from the operating department for 100 feet of 8-inch 4-ply Duxbak belting, which he merely rubber-stamps and passes along to the manufacturer. Seldom, however, do such instances occur exactly as stated. Usually the purchasing agent's authority lies midway between these two extremes; he is more or less dependent upon the advice and suggestions of the operating department, the engineering division, or other officials, even though he may use individual judgment as well. For this reason the other factors mentioned cannot be overlooked in the selling effort.

It must be obvious that even where "key" men exist in an organization—where, for instance, the purchasing agent has the large share of deciding—nevertheless, it is inadvisable to neglect such men as the engineer, the production manager, the plant superintendent, the officers of the company and sometimes the sales manager. The influence of these men has become a very real one in the buying of raw materials for their industrial plant.

GETTING A HEARING

The great barrier in many kinds of selling is that of getting a hearing. The best equipped salesman cannot sell enough goods to pay his hire if he is unable to get into the business office of the plant to see the man who eventually must decide, or to see the housewife, if he is selling from house to house. Some of the leading sales organizations in the country spend a great deal of time in studying ways and means of aiding their salesmen to get a hearing. The Aluminum Cooking Utensil Company offered prizes to its large sales organization for the best experiences on getting a hearing and published scores of these experiences in bulletins sent out to the entire sales force.

While no satisfactory rules can be set down in this general treatment of selling practice, as to what a salesman in a given business must do in order to get a hearing, a number of generally useful suggestions and experiences follow.

Confidence as an Aid.—The salesman may often easily get to see the man or woman that he must interview if he goes about his errand with confidence. While being careful not to affront people or transgress rigid regulations, a salesman should go along as confidently to see his prospective buyer as if he really

expected to have the interview or was actually sent for. The man who stops timidly at every barrier, feeling his way, is encouraging refusals. For example, in many offices and plants the man coming in with the pleasant inquiry, "Is Mr. Smith in?" may get his chance to see Mr. Smith without questioning. If, however, he stops timidly and sends in an inquiry by the office boy to see whether or not Mr. Smith could possibly "spare some time this morning to talk about more insurance," the chances are that the interview will not be granted.

It must be admitted, however, that in a great many instances the salesman must give some hint of his errand. The representatives of F. E. Compton & Company ask to see the head of the household with the explanation that the errand is one connected with the education of children. While this in the end means the sale of a young people's encyclopedia, nevertheless the opening is one that usually gains a hearing.

Other Examples of Tactful Openings.—The representatives of the Aluminum Cooking Utensil Company express a desire to show the head of the home some fine kitchen ware. In addition, they are often able to mention a call at a neighbor's home and excite curiosity as to what the neighbor bought. Very often they are able to say that the neighbor suggested the prospective customer's name as one who would possibly also be interested in such fine ware. Salesmen are coached to gain entrance when they get around to back doors by acting as if they expected to be invited in, when confronted by a locked screen door, and often this method works successfully.

Salesmen of such devices as cash registers and adding machines get a hearing by approaching the prospective buyer with some remark indicating that they have come to demonstrate a time-saving or money-saving service of some sort. In other words, the appeal is to the self-interest of the prospective buyer and this is very important. If the opening language or the preliminary attitude simply advertises that the salesman has come to sell something, the prospective customer is instinctively on the defensive.

How a Pertinent Question Helps.—Salesmen canvassing business offices and large plants probably have the most

difficult errands. Sometimes a very pertinent question gets a hearing. "What do you do when you lose your keys?" "How many good copies do you get from the carbon paper you are now using?" "Can I send you the Blank Magazine for a year without charge?" Such questions excite curiosity or encourage the person addressed to ask for details. This opens the way and gives the salesman a chance to make his explanation, whereas if his approach were "Can I sell you a Simplex Key-purse?" or "I would like to have your carbon paper business," the easiest and most natural thing for the prospective customer to do is to give some answer that is designed to turn the salesman away.

Buyers, no matter how much they are inclined to resist the efforts of the salesman, cannot help having a selfish interest in their own affairs. The man who is in an export campaign can hardly fail to give an ear to the salesman who comes along and indicates that he has something that is a real aid to an exporter.

Interesting Men Who Say They Cannot Consider Buying.—An instance of how an apparently insurmountable obstacle was overcome is afforded by the salesman of a hair-removing chemical perfected for the use of tanneries. This salesman was a chemist himself and understood his subject thoroughly. He called on a very large tanning establishment and got before the proper man only to be informed that the tannery could not possibly consider any change in its process of removing hair from hides. The manager of this tannery was blunt. "Everything you may want to say may be true," he explained. "But we have laid out our plant for a certain process and we could not consider tearing everything up and making a change, so you would just be wasting your time to talk to us." This was enough to discourage the ordinary salesman but this salesman was resourceful. His reply was:

I have great respect for what you are doing and I assure you it is not my job to come here and tell you what you should do about rearranging your plant. I am entirely satisfied to leave that to your good judgment. But we have worked out something that you as a prominent tanner cannot afford not to know about. Before I get through with my explanation you will admit, I am sure, that it is a

principle you will want to know about whether you are interested in it now or next year or the year after. If you can give me twenty minutes to demonstrate what I came down to show you, then I will pack up immediately and let you decide what it is to your interest to do.

He got his chance to make the demonstration and eventually he did considerable business with the tannery.

The Question of Cards.—Some successful salesmen use cards only when they have to. These men prefer to send in a friendly oral request to see the man they want to see, or to work up a plausible reason for seeing him. Sometimes, however, these expedients are unavailing. The plea to see Mr. Jones on a "personal matter" will often be met by the answer that the regulations require the errand to be stated. Nevertheless, it is often possible to say "Mr. Jones will know, because I wrote him last week," or "I had a letter from him yesterday," or "I was talking over the telephone to him this morning."

A card showing the salesman to be identified with a prominent concern is often a real help. Even if the buyer is not in the mood to make a purchase, he is not always unwilling to see the representative of a prominent firm and get some trade items or other business gossip that will possibly be of value.

Notations and Notes with Cards.—Sometimes a card sent in with a notation, "Am calling at the suggestion of Blank and Company" arouses enough interest to command an interview if the prospective customer knows Blank and Company well.

"I want to show you a new wrinkle we have worked out on our engine," "Have something that just meets your ideas on belting," or "A suggestion that will make your competitors lie awake o' nights," are suggestions of other notations on cards that may prick curiosity or interest and bring the salesman an invitation to come in for a minute, instead of the sad message from the inside office—"Nothing in your line today."

Printers' Ink Monthly tells a story of an office-furniture salesman who had worked for months to get action on a purchase of new equipment but without success. Finally, as a

last resort, he called at the office of the general manager of the company and sent in the following letter.

DEAR MR. BLANK:

During the past three months I have wasted 114 hours of the time of your department heads. I have called repeatedly on Messrs. Allen, Jordan, Wendell, Tucker and Bly. Each of these gentlemen is interested in new office furniture.

Each expresses his desire to buy my kind.

Each, it appears, will have a hand in the decision. Each is ready to settle the matter now. But singly no one of these men seems empowered to sign the order. Meanwhile, I continue to call on all of them.

No doubt other office-furniture men are doing the same—at least three, I should think. Together we have used up 456 hours of time which costs you no doubt a minimum of \$2 an hour, or a grand total of \$912.

That's a pretty high premium to pay on your furniture, isn't it? I decided that you ought to know about it. I'd really like to stop being such an expense to you, but on the other hand I want you to have good furniture, so I must keep on calling until the order falls.

The general manager was a bit amused. Having a sales force of his own, and believing that the man who sticks to his job in spite of stone walls is entitled to a hearing, he sent for the salesman. As a result the order was closed without any competitive figures on the desired equipment.

Printers' Ink, in its issue of Feb. 9, 1922, describes a unique method employed by a salesman in getting an interview with the man who can really put through a change in packing methods. When he is interviewed by an assistant he attempts only to find out who the man higher up is. He rarely attempts to make a sale to this assistant. On the next call, he sends one of his company's illustrated advertisements in to the proper executive with a scribbled note in the margin telling the executive "I don't want to sell you anything as much as I'd like to show you where you could save some money in the way you handle your crating."

These advertisements usually excite interest because each one tells how some concern eliminated waste through the use of the salesman's product.

Pointed Opening Needed.—The man who comes before the prospective purchaser in errand-boy or peddler style, opening with some generality, "I thought I'd like to talk with you

about insurance," or "I just dropped in to say 'Hello'" may, once in a hundred times, get a few minutes' consideration out of sheer courtesy, but this is not salesmanship. Even if the first few words are not about business, the salesman must be prepared—unless he has some claim on his prospective customer or a fair degree of acquaintance—to be specific and to make such an opening without delay. If the insurance man's opening is, "I've made a guess that the income policy that you took out some years ago for your wife (if the prospective purchaser did take out one) isn't quite as large as it ought to be to take care of her in comfort, and I want to let you look at this new policy of ours—one that the insurance men of the country say is a wonder"—holding out a specimen policy as he speaks, he is likely to claim attention.

This, as a matter of fact, may not be just the right language. The writer of this volume is no specialist in insurance, but he has purchased ten different insurance policies in his life and talked with perhaps a hundred insurance men, and he knows the value of the opening that awakens some responsive chord in the prospective purchaser's mind. Three-fourths of the insurance men open with commonplace language that really encourages the prospective purchaser to take the defensive. Having once said that he could not possibly be interested in any additional insurance, the prospective purchaser feels like sticking to his quick decision and is not likely thereafter to admit an interest in anything said by the salesman or to look at any document.

"I have two ideas to put before you that I think will interest you," begins a sales promoter. Immediately the business executive pricks up his ears. He is on his guard. He must be shown. But he knows that his organization has not captured all the good ideas it ought to have, and his eye and ear are open to suggestions for business betterment. He will give such a salesman a chance to explain. But he has half a dozen nice excuses for the salesman who walks in with the opening: "I called to see if you did not need some more of our machines," or "I would like to get in on some of the business you are putting out these days." Recognizing this, an able sales manager of New Orleans has a rule that every time one of his men calls

on a prospective customer he must go with "something in his hand"—*i. e.*, a suggestion, rather than to enter in "order-chasing" style.

The first minute and the first few words go a long way toward determining the success of the salesman's errand. Men of various types are interviewed under different circumstances, as there can be no fixed rule for the proper method of approach. In general, however, instead of beginning with "I represent such-and-such a company" it is better to state one's name and say, "I called in response to your inquiry" (if that be so) or, "The reason for my visit, Mr. Blank, is the placing before you," and so on. This usually awakens some response. If not, the salesman may continue to talk.

Negative and Weak Openings.—A business executive whose affairs require him to see many salesmen said, in a talk before a sales convention:

I presume that eight or nine salesmen call in my office every day. Believe me when I tell you that 90 per cent of them are negative. They come in and I have a lot of fun with them. I always treat them courteously. After being on the road over fourteen years, I never keep a man waiting two minutes, never have, never will. And I always say when I can't buy: "Old man, it would please me ten times as much to give you an order as it would you to write it if we had it for you. If we had it!"

The bearing of expectancy is one of the cardinal virtues of every successful salesman. To reflect doubt or hesitancy in your attitude or bearing is an open invitation of defeat. Then, why ever do it? Why ever do it? The least that you can expect by such an attitude is deferred decision and unfortunately that is not the order and unfortunately when a man licks you once, you're pie the second time. That is the tragic thing. If you make an impression good enough during the first interview for that fellow to say: "Old man, I think you've got a wonderful proposition, but we are not quite ready. Drop back in sixty days," you've got him right up next door to the order, right there, right then.

Now it doesn't take one-tenth as much nervous energy, and let me say I am talking from experience, to stay right on the job and give him twenty reasons why it is good judgment today rather than wait that sixty days, if it is good sixty days from now it is good today and the next sixty days means something to them and if it isn't good now they don't want it sixty days from now.

The Use of Clippings in Getting Interviews and Closing Sales.—In some kinds of selling a scrap-book of newsy clip-

pings, or reproductions of these clippings on large sheets, may serve a very useful purpose, both in getting interviews and in closing sales.

Concerns selling check-protectors, for example, can accumulate a large variety of clippings telling of losses to concerns that had not adopted precautions against forgery or check-raising.

The chief value of this feature is that it deals with actual events and not mere opinions or theory. The prospective buyer is disposed to combat argument from the salesman, but when the latter displays newspaper or magazine clippings describing actual happenings or conditions in various sections of the country, the prospective buyer is hardly human if he is not influenced, though he may not wish to admit it.

In selling advertising space, for example, to a firm that makes some form of building-material, if the firm is reluctant to admit that there is building activity, the showing of twenty or thirty clippings from all parts of the country relating to building permits, contracts for material, and so on, is convincing evidence.

Salesmen Who Can Really Help Get a Welcome.—F. H. Patterson, writing in *Business*, quotes the general manager of a department store as saying that one of the rules he follows most consistently is that of buying from salesmen who can give him ideas.

Mr. Patterson refers to the experience of a salesman who called on a merchant only to find this merchant very blue over his sales of the class of goods the salesman sold. When an order was mentioned, the merchant pointed gloomily to his shelves and asked the salesman what he would give for the stock. Undaunted, the salesman expressed his surprise and sympathy and then went into details. He looked over the stock, found that the most popular sizes were missing, that some of the boxes were split or soiled. Without finding a great deal of fault with the way the stock had been handled, the salesman explained the effect on the store of being unable to supply what a customer might ask for, how news about poor stocks spreads, and so on. Continuing, he said:

"You are going to sell out this entire stock, and I am going to tell you how to do it. First, I will send you new boxes to replace these broken ones. Second, you must fill in the missing sizes. Third, we are bringing out some new styles; I am going to send you one or two of each in the popular sizes. With your old stock in new boxes; with a small quantity of new goods, and with some of our new signs, you can make up a window-display that will bring you trade."

This salesman was able to take away a small order. Better still, he earned the confidence of the merchant and his helpers, and subsequent events proved that the salesman's advice was good—that the stock was cleared out without any loss to the store. The fault lay principally in the way the goods had been handled.

In a somewhat similar case, the salesman was informed that the merchant would not take any more of his goods if they were offered as a gift.

Again the salesman expressed a real interest in seeing that the merchant got back his money and said that if the merchant or a helper would come to the store that evening the salesman would aid in arranging a new and effective window-display of the goods. Such a suggestion could hardly be turned down and the display went in. The salesman did not press the merchant for an order but left an order blank filled out for a small additional supply, saying: "I have faith that this plan of ours is going to work right. It has worked well elsewhere and I don't see why it won't work here. I want another order from you but not unless you can make a profit on my goods. Just promise me that if I am right you will send this order along in the mail."

Sensational Methods to Sell Kitchen Cabinets.—Retail merchants believe in display and demonstrations but they frequently have neither time nor skill to attend to these highly important features of modern selling. Hence, the jobber's or manufacturer's salesman often has on his hands the problem of either applying a heroic remedy or losing business.

A resourceful salesman, whose experience is also described in *Business*, found a retailer of kitchen cabinets—the kind sold by the salesman—with a large stock on his hands and in

absolutely no humor to buy. The kitchen-cabinet man induced his customer to allow a new window-display to be put in, a modern kitchen in the center of which was one of the cabinets. From each special feature of the cabinet a tape ran out to the glass of the window and on the window was pasted a page from the kitchen-cabinet catalogue explaining the feature. The salesman remained in town all the next day, put one of the cabinets out on the sidewalk, and hammered vigorously on the bread-mixing board to show what it would stand. A crowd soon assembled, and the salesman held them as he demonstrated various features of the cabinet, and talked the "dollar-down" plan of acquiring a modern kitchen cabinet. His concentrated salesmanship sold enough of the cabinets to convince the merchant that they could be sold. Once more modern salesmanship had saved the day.

Argument Should be More than Persuasion.—A great deal of the effort of salesmen falls to the ground because their argument is pointless. "I should like to do business with you," "You would, I am sure, be pleased with our service," and so on—nothing that implants an idea in the prospective customer's mind about a new way of selling (if he is a merchant), a new use for an article or the advantages of some distinctive feature, if he is a user or consumer.

To illustrate: an advertiser whose object was to get his message before the people of one prosperous state made a selection between two leading newspapers with well-distributed circulation throughout that state. The newspaper that he selected—which may be referred to as *Newspaper A*—had a slight advantage over the other in state-wide circulation. *Newspaper B*, on the other hand, had a little more strength in city circulation. If it had been the advertiser's desire to appeal particularly to city people, *B* would have been his choice.

The solicitor for *Newspaper B* really had no chance the first year, for the situation was clearly against him. When the advertiser came to a selection of newspapers for his second season's campaign, the solicitor for *Newspaper B* continued his old persuasive tactics, telling about the popularity of his paper in the city of publication, its political strength, and so on,

touching almost everything but the one thing that the advertiser was interested in doing, that was, reaching people throughout the state. There was an opening for this solicitor. He could have argued in this wise:

Now, Mr. Advertiser, I recognize the wisdom of what you are trying to do and undoubtedly competitor *A* reaches a few more people throughout the state than we do. But you have told your message to the readers of *A*. Another group of readers scattered throughout the state, within 10 per cent as large a group as you reached through our competitor, can be reached only through my paper. You want to do business with these people, too, and it is to your advantage to make a change for this season.

There is logic to this argument and very likely it would have made some impression on the advertiser, but the solicitor apparently did not get that far in his thinking.

HOUSE-TO-HOUSE CANVASSING

Methods of the Jewel Tea Company.—The Jewel Tea Company employs a force of 2,600 salesmen, each of whom drives a team and sells from a wagon, having a regular route through the country. A former sales manager of this organization has, in the *American Magazine*, given some interesting facts about the methods used in employing, training and directing salesmen. Instead of using advertisements to attract desirable recruits for the force, this sales manager went to local doctors and ministers and asked for the names of reliable and industrious young men. He also used the employed men as another reliable source of information. Usually every good salesman has one or two acquaintances who are good possibilities.

Clifford M. Cubbison, the sales manager in question, like many other employers, followed the plan of trying out the applicant with a little discouragement at the outset of the interview. He would make some such remark as, "I doubt very much if you would ever make a salesman." If the man made a spunky reply, Cubbison was inclined to give him a chance, provided his other qualities seemed to be right. Cubbison placed great stress on good-nature, optimism,

personal cleanliness and courtesy. One of his characteristic bits of advice to salesmen was "Kiss your wife good-by—wipe your feet—and like everybody." He emphasized courage, persistence and good humor, arguing that the salesman's personality meant more sales than the merit of any goods he might be handling. He advised smiling, even when an order failed to come; told his men that when a customer said "I am going to quit buying from you" some such answer should be given as "I am not going to let you."

The following is typical of his instructions:

If you go to a farm and they have a dog, don't waste a minute before learning the dog's name. Don't forget it! The next time you come, be sure to call the dog by name. If it's a good dog, or a pretty dog, say so.

Find out the names of the children, too. And see that the children know the name of your horse. It is almost impossible to have anything but friendly relations with an agreeable caller who knows your dog and children, and whose nice old horse is personally known by name to the children.

One must deal largely with women when selling in the country, for the farmers are usually at work. This means that you must go to the kitchen door. If you go to the front door, the woman will be annoyed over having to leave her cooking, or care of the children, and when she finds that the caller has something to sell she is instantly prejudiced against him.

When some one asked Cubbison what he advocated doing when the salesman found the screen door latched—whether he thought it possible to sell anything through a screen door—his reply was:

Offer a business card, and begin to wipe your feet. The act of wiping the feet is by far the most important. If there is no doormat, or if the feet aren't muddy, wipe them anyhow. It is not easy to resist unlatching a screen for a man who stands there thoughtfully wiping his feet as if he expected to enter.

Once inside with a basket of samples, be careful not to set this on the woman's clean kitchen table. The bottom of the basket might be dirty. Set it on the floor or on a chair. Sometimes, manage to have in your basket a few articles that have been ordered by one of the neighbors. People are always interested in seeing what the neighbors are doing or buying.

Other Hints on House-to-House Soliciting.—One successful publishing house instructs its canvassers to wear soft hats. This enables a man to slip his hat under his arm, leaving both hands free to display samples.

In the summer season salesmen are constantly meeting housewives who attempt to carry on conversations through screen doors. This is a barrier that is almost sure to do away with all chances for a sale. Many salesmen have been successful in removing this obstacle by taking a step back from the door just as the housewife reaches the other side of the door. This action suggests to her that she open the door and the way is left clear for her to swing the door outward.

During the winter the reverse is true. House doors open inward and a step forward by the salesman indicates that he expects an entrance. Of course, the salesman's general manner determines whether or not he will be permitted to enter.

All good house-to-house salesman avoid such words as "contract," "agreement," etc., because married women are commonly warned by their husbands not to sign anything that will bind them. A request for the woman's visiting card, or if that is not available, the suggestion that she write her name and address on a piece of paper offered by the salesman, will avoid complications in getting a signature—that is, unless a formal contract is really essential. If so, the signing of it may be treated as a mere clerical detail.

(Summarized from *Printers' Ink Monthly*.)

ORDER BLANKS THAT HELP SALESMEN

The use of the order blank is unquestionably a part of the salesman's tactics. He must be able to recognize the favorable moment at which to introduce the order blank and pencil in his canvass, or the time when it is advisable to leave the order blank with the buyer. As a rule he must employ the order forms supplied by his firm and be helped or hindered by their wording and style. Because the right kind of an order blank can be a real aid to the salesmen, it should be part of the sales manager's tactics to furnish a form that will be of as much help as possible to his men.

Thousands of orders are lost because the firm selling the goods does not appreciate the great importance of having the right kind of order blank or because the salesman does not see that it is put before the prospective customer in such a way as to require a minimum of effort.

The customer who is impressed but who does not have a pen and a sheet of paper handy may say he will "think it over further" and send an order as soon as he can use the goods. Very likely he neglects to keep his promise, or some one else comes along with about the same kind of goods. This salesman profits by the other salesman's explanations of the product and shoves a nice order blank in front of the customer on which he has only to write a signature and a few figures, showing the items he wants, (or very likely the salesman takes the initiative and writes these down for him).

Order Blank That Requires No Envelop.—A large millinery house uses an order blank that can be folded, sealed by means of a flap, and mailed without an envelop; that is, the blank as folded is its own envelop. Thus, the millinery firm, if the salesman is unable to take away the order with him, or the blank is sent by mail, does not lose its chance because the customer is unable to lay his hands on an envelop.

Postal Card Order Forms.—A large cement company at regular intervals makes good use of postal card order forms. These are sent out now and then by mail, with new quotations, and are also left by the salesman when it is impossible to take away an immediate order. Most dealers hesitate to throw away a perfectly good postal card, keep it on their desks and find it easy to use the card when a week or so later another carload shipment of cement can be disposed of.

Legal Phraseology Should Be Avoided.—Orders cannot always be models of simplicity, but they should be as free from complex features and legal appearance as possible. To study the order forms used by some concerns is to conclude that somebody worked for days to see how much of an obstacle to sales he could incorporate in the order forms. The forms used by leading mail-order firms will repay study, for these organizations, through long experience, have learned how to make it easy for their customers to "sign the name on the

dotted line." They deliberately avoid all such phraseology as "Contract," "Agreement," especially if they are dealing with a type of buyer who is reluctant to sign imposing looking papers.

A well known jewelry manufacturer uses an order blank that is combined with a price list, a perforated line making separation easy.

A number of organizations combine a letter with an order blank, the blank being merely the bottom portion of the letter sheet, a perforated line being used in this case.

"Keep a Copy of Your Order" is the headline of another distinctive order form that comes to the customer in duplicate with a carbon backing to the original sheet, so that order and copy are made with one writing.

The use of the firm's regular form may be encouraged by such displayed lines as the following:

"Use this form for quick service."

"Keep your stock in order."

"Just check items wanted and sign at bottom."

GETTING THE NAMES OF PROSPECTIVE AUTOMOBILE-PURCHASERS

Frederick C. Russell suggests, in *Motor Life*, how automobile salesmen may secure the names and addresses of people. He first explains that many people who stop to look at cars dislike to give their names and addresses because they do not want to be pestered with salesmen.

Mr. Russell says:

If you arrive in a car at the show room of an automobile dealer, and, after looking over the cars on the floor, you tell the salesman you would rather not give your name, he is not very insistent about it, because he sends some one quietly to go with you to your car and note the number of the license plate. It is a simple matter for him to look up the desired information in the list of state automobile licenses.

A man casually entering a show room to look over a coupé was told that the only one of the particular model asked for was out on a demonstration. Here the salesman broke in with "Are you Mr. Bell

from Avon?" "No, I'm from Avon, but the name happens to be Moore." The salesman explained that a Mr. Bell had an appointment with another salesman just about this time and that he thought the gentleman might be he. He was sorry the coupé was not there to show, but perhaps the gentleman would wait, or the salesman could call him up when the demonstrator returned. The gentleman appreciated the courtesy and said not to bother. He'd call again. The salesman wanted to know if he must have a coupé. Yes, because he is a physician.

Directly upon Dr. Moore's departure the salesman called up his house and learned that he was expected back by half past five. And at half past five, when the doctor arrived, the demonstrator was already at the door with a coupé.

The individual who states he is only looking at cars and does not want to buy, is the one to whom a sale is most likely to be made. It is pointless to ask the name and address, so the salesman says the factory is getting up a booklet describing the car, and the agency is mailing it to a special list of those who would appreciate and not discard it. He asks engagingly, "May we send you one?" And usually the needed information is forthcoming.

Stunt or Sensational Methods of Getting Attention.—While the "stunty" and sensational methods of getting a hearing are not always to be advised, they are nevertheless sometimes effective. When unbreakable lamp chimneys first came into use, a favorite method of salesmen of this article was to stumble on entering a store and let the lamp chimney fall. This gave them a chance—particularly in the stores of a country town—to explain to a small audience that this lamp chimney would stand even more severe shocks. Some of these salesmen carried the breakable style of chimney in addition to the unbreakable ones and varied their stunt by occasionally dropping the competitive chimney and letting it smash. The representative had to pick his places for this breaking-demonstration, however, as the conservative type of merchant might object to having his counter or floor littered with broken glass. Some of these men also varied their opening demonstration of the unbreakable chimney by throwing it against the stove and letting it bound back or going into the street in front of the store and pitching the chimney over the telephone wire.

A well known salesman of overalls used with success what he called the "tug-of-war" demonstration. This required two men. They would enter a store each tugging vigorously on one leg of the overalls. Sometimes while good-naturedly carrying on this demonstration, they would work their way past the guardians of the outer office and right into the "den" of the man they wanted to see. It is said that even in England, where buyers stand more on their dignity than is the case usually in America, the overalls demonstration was carried out effectively and got a hearing for the salesman where more conservative methods would not prevail.

Rolling the Sample.—Getting a sample into the hands of the prospective buyer is often a hard thing to do. He always has the chance to refuse to take it if the sample is handed to him in the usual way. A fountain-pen salesman has a clever method which could be adopted by a person selling pencils, or toys or novelties possessing the same rolling ability. This man endeavors to get his prospective customer behind a showcase or other flat surface. If he is able to do this, he puts a pen on the case and starts it rolling with an unseen push. Nine times out of ten the buyer will catch it to prevent its falling.

(Printers' Ink Monthly.)

Calling the Dealer to Come Outside.—A salesman for a firm in New York accidentally discovered an excellent approach. His territory covered small grocery stores on the East Side and at first he objected to going into their generally dingy and squalid interiors. Instead, he stood at the door and called to the proprietor to come out. The appeal to curiosity brought the man out and to the surprise of both buyer and salesman, they found the outside of the store a good place to do business, as there they were free from the interruptions and demands of the store. The salesman now uses this plan at every opportunity.

How an Overcoat Helps a Salesman.—A salesman handling a business service needs more time for an interview than one handling a product that can be shown and explained in a few minutes. A well known advertising agent finds the wearing

of an overcoat a means of finding out whether or not he is going to be accorded time to present his service. He says that if his prospective customer invites him to remove his overcoat, he knows the interview may be lengthened sufficiently for him to go into the details of his proposition. If, however, no mention is made of the overcoat, the salesman knows that a long stay is unwelcome and accordingly prefers to depart and return at a more favorable time.

(Printers' Ink Monthly.)

Trick Sample Case Interests Buyers.—For the candy salesman there is a trick sample case procurable, which opens quickly and shows the whole assortment at one time. Buyers are usually interested by it. Similar cases could be adapted to many different kinds of goods.

Tells Prospective Customers How to Save Expense.—The salesman of an addressing machine walks into a business office—one perhaps in which he owes a bill. "How are collections?" is one of his casual questions. Often something will be said about slowness of collections because it is impossible to get the bills out on time. He questions and perhaps finds out that two girls do the work of addressing, mailing, following up collections, and the like, and are paid possibly \$75 a month. The task of addressing seems the stumbling block. "Fire one of your girls, or put her at some other work. I can put a machine in here, without a penny down, on terms of \$60 a month, that I'll guarantee will keep your billing up to date, and save you, right from the jump, \$15 a month."

Showing Only a Part of His Product.—Sometimes it is possible for a salesman to arouse the curiosity of a buyer by displaying only a part of his product. A salesman for an electric iron hands his prospective customer the handle of his iron. The man naturally wants to know what it is and the salesman then proceeds with the story of how the handle of the iron was made from a putty impression of the grasp of an average size woman's hand, thus securing a handle to fit the hand perfectly, which was the big feature of this iron.

Prevailing on an Indifferent Manager to See Samples.—A salesman who had great difficulty in inducing a business

manager to look at his samples finally asked, "How many salesmen do you employ?" On learning the number, he continued: "Then you have twenty-eight salesmen out this morning, making a total of perhaps seventy-five calls. At the rate of \$15 a day, salary and expense, you are paying out this morning \$210 for selling expense. If half your men have the same difficulties in showing what you sell as I am having here, \$105 of your money is being lost. I am costing my firm about that same daily expense. I am not looking for any charity or favors, but just give me a fair chance to show what my firm offers. I am sure you want every firm your men call on to have at least that opportunity."

(Summarized from *Printers' Ink.*)

Arguing from Dealer's Viewpoint to Introduce New Product.

In Chicago there was a drive to place nut margarin upon the market. To avoid having dealers say they would give salesmen orders only when the campaign had shown that there would be demand for the product, the salesmen were directed to go right to the dealer without any introduction at all and say, "I suppose, Mr. Doe, that your problems are pretty much the same as those of Mr. Brown down the street?" The reply would usually be, "Why, I don't know, what are they?" Then the salesman would explain: "Too many salesmen and too many brands of the same product. Take oleomargarin, for instance. You have about five brands on hand now. Such a stock ties up considerable money and slows your turnover. Then, you have half a dozen salesmen calling to sell you other brands of the same product."

It was not difficult to get the storekeeper to acknowledge these facts. Here was the entering wedge for outlining the plan for introducing the nut margarin.

Only twenty-four pounds of nut margarin were to be sold to any dealer, delivery was not to be made until the advertising began, and this advertising was to feature the use of coupons.

Five thousand Chicago stores accepted the product in short order. Consumer demand was up to expectations and merchants telephoned repeat orders, mentioning the rapidity of sale.

(*Sales Management*, August, 1922.)

MISCELLANEOUS EXPERIENCES IN SECURING DECISIONS AND GOOD-WILL

One salesman overcomes the usual defensive attitude of the prospective purchaser by saying very early in the interview:

Now, in explaining this to you today I am not going to ask for your order because I realize, as you do, that what I am putting before you is an important proposition and you will want to go into the matter deliberately.

Such an unusual opening is impressive and, as a rule, commands consideration.

A well known real estate man follows this procedure and suggests to prospective buyers that they "go home and sleep on the idea." The transaction is such an important one that it is difficult to close a sale at the first interview. To attempt it may chill the confidence and enthusiasm of the visitor. The prospective customer, on the contrary, is received in friendly fashion in a comfortable room and put at ease. He listens to interesting talk about the land, its location, its value and its possibilities of development, and has all his questions answered. Nothing is done that savors of forcing a business transaction. When the real estate agent sees that he has awakened genuine interest, he gives the familiar advice. He finds that it paves the way admirably for the next conference.

Sell Men a Belt for Each Suit.—A manufacturer of belts for men used advantageously the information that a certain actor, a leader in men's fashions, had thirty-four belts, one for each suit. The manufacturer encouraged his salesmen to stress the fact that the average man could well make use of three or four belts, in order to have one that harmonizes with different suits. It was pointed out that it is convenient and time-saving to have two belts for dress wear, one for business and one for playtime. These salesmen also called particular attention to the fact that the belts sold by them are so shaped as to fit snugly around the hips. *(Marketing.)*

Phonograph Salesmen Mention Standard Records.—A progressive music dealer in the West has trained his salesmen

to suggest to customers additional records of a more or less standard nature whenever the customer is interested in or asks about any record.

Like other music dealers, this retailer realizes that the greater part of his record-sales will be of the popular song and dance music that comes and goes so rapidly. This class of record needs little pushing but a sale of a standard or classical record, in addition to making a double sale, will in many cases stimulate taste in good music and bring the customer back for more.

One Safe Rule—"Show the Goods."—An expert retail merchandising man of New York says that the only safe rule that can always be followed in selling practice is that of "Letting the goods talk"—meaning by this that if goods are shown well a great deal of guessing will be saved and many sales made that otherwise would be lost.

On this point the general manager of the Van Raalte Company (manufacturers of silk underwear for women) says:

A great fault that is evident in a considerable number of salesmen is that they assume to know what the buyer does or does not want to purchase. The guessing of what a retail store wants to buy is not a part of the salesman's job. It is entirely up to the manufacturer to guess just what will be the styles for the coming season. If more salesmen would forget the idea that they know what their customers want, and would give the buyers a little more credit for knowing themselves what they desire, then many more sales would be effected.

After all, if a manufacturer wanted to work out his lines according to the ideas of the salesmen, instead of producing as diversified an assortment as most high-grade manufacturers do, he would save many thousands of dollars and bring his lines down to a minimum. But, from general experience, manufacturers long ago discovered that there is no way of guessing just what the American public wants and that the only way to secure a good business is to bring out as wide a range as possible to fit in with the individual needs and ideas of stores scattered all over the country.

Here's the big point for the salesman: don't assume too much as to what your trade wants, but show your line, show it completely. Let your buyers be the judge, and it will surprise you to see the many

sales that will be effected on lines that you did not think they would need.

(New York Times.)

Free Audit of Correct Weighing.—The representatives of a manufacturer of scales command favorable attention by entering a merchant's store and offering a free "audit" or test of his weighing apparatus. The test is made to full capacity by pounds and ounces according to a government master test-weight.

Merchants generally are favorable to having the test made. The salesman's own machine is put beside that of the dealer. The salesman's machine is equipped with a certificate of accuracy, and this accuracy is further shown by comparison with the weights used by the store.

After the preliminary explanation, the salesman begins weighing pounds of different goods. When the goods are transferred from the store scale to the salesman's it will usually be found that the balance is one slightly against the dealer. A score or more of weighings makes it apparent that during a day's sales the item becomes a fair-sized one and that this margin spread over weeks and months means a real loss.

The actual demonstration of the leak in profits gives the salesman a foothold for a sale of an accurate weighing machine.

How to Avoid Abrupt Showing of Order Book.—The Todd Protectograph Company teaches its salesmen to avoid bringing an order book too abruptly to the attention of the prospective buyer near the end of the solicitation. It advises them to lay the order book alongside the machine so that the buyer will be sure to see it while hearing about the Protectograph. In this way, the prospective customer may react favorably to the stimulus to accept the machine. It seems quite natural to accept the proffered pen or pencil and affix the signature. His resistance may be aroused if the salesman suddenly jerks his order book from his case and appears eager to get the signature.

Dramatic Way of Impressing a Postponing Buyer.—A salesman selling a safety device for machine shops is occasionally just on the point of getting a signature to his order blank when

the prospective buyer will make some such remark as "I've decided to wait until fall; business is very slack right now, and I don't think any one is liable to get hurt on those machines unless we are busy."

The salesman has schooled himself to take such remarks calmly. He answers quietly:

"Very well, that's up to you, but you admit that I have convinced you of the necessity for this device?"

"Why, yes, I admit it is a good thing, and no doubt we will place an order with you, but not right now."

"If that is the case," answers the salesman, "you wouldn't mind making a statement to that effect, would you?"

And he draws out a typewritten sheet addressed "To Whom It May Concern." This document sets forth that the salesman had called, convinced the business man of the necessity of safety devices for certain machines, and quotes the prospective buyer as saying he intended to place the order at a later date. It is set forth, further, that in the event any one is injured before the devices are installed the salesman is to be absolved from all blame, inasmuch as he had done his duty in bringing the safety device to the attention of the manufacturer.

The scheme is merely a dramatic way of showing what negligence may cause in the way of loss. The manufacturer is likely to say, "I guess not. Why, a statement like that would make out a case of criminal negligence against me if I signed it."

The salesman agrees but says he likes to get such statements in order to absolve his conscience. He goes on to say that he had frequently accepted postponements of orders and, learning of serious accidents happening almost directly afterward, felt guilty for allowing postponement of orders for his device.

The method occasionally brings an order on the spot. When it does not, the chance for a future sale is as good as it would have been anyhow.

(Summarized from *Sales Management*, August, 1922.)

Do Not Divert the Prospective Buyer from a Decision.—An experienced salesman of life insurance holds that sales are often lost by diverting remarks made just when the pros-

✓ The buyer has about decided what he will do. Any argument that may cause him to hesitate or waver at that time may result in a decision to "think the whole thing over and let me know later what I'll do."

The time to discuss a choice of policy, variation of amount, and so forth, is before the prospective policyholder takes up the pen to sign. When he is ready to sign, instead of "Do you think you had better take a \$10,000 policy or a \$20,000 policy?" it is recommended that the salesman be affirmative and make the following remark: "A \$10,000 policy is just the thing for you at the present time, so if you will sign this application—."

Pointers from the Sales Manager of a Large Industrial Organization.—Closing a sale is something like making a horse take a hurdle, in the opinion of the sales manager of a large industrial organization. "There's no use in abusing the horse because he doesn't take the jump the first time. Just turn him round, treat him patiently, and take a fresh start. Do the same with a customer. Have three or four good closing arguments. Try the second if the first fails, the third if the second doesn't work, and so on."

The salesman must realize that often when a man says "No" he simply does so through force of habit. A great many times he says this without really understanding all the merits of what the salesman offers. In giving his advice an experienced sales manager says:

Try diverting the mind of the customer from his negative attitude by a pleasant question or two and see if you can't improve your preliminary work. In many cases you will find that the "No" came just because your preliminary explanation wasn't impressive or thorough, or perhaps wasn't understood by the purchaser.

Try to keep clear of controversial argument when you get near the closing point. Anything approaching a controversy or an argument, even though you may be right, is likely to kill a sale. It is better tactics to let the man feel that he is right, for it is a well known fact that it is much easier to lead a man than to try to force him by proving that you are the better man.

Reference to Successful Experience with Similar Product.—An advertising agent got the instant attention of a book

publisher by referring to some special experience and valuable records in his office on the advertising, some years previously, of a set of books much like those the publisher was about to offer the public.

Convincing by Inference or Indirect Argument.—It is often better tactics to convince the prospective purchaser by illustrations drawn from the experiences of other people rather than to combat his own views too directly or pointedly. A prospective purchaser may indicate a preference for a certain type of machine—an automobile, for example. Possibly it is his first purchase of a product of that kind. The salesman may be convinced that some other model is the proper one for the prospective purchaser. He may not even have the model for which preference is expressed. But it will not do to tell the prospective purchaser bluntly or too directly that his preference is not well founded. The salesman may say pleasantly: "I can understand your reason for feeling that way and, as a matter of fact, about three-fourths of the buyers feel that way when purchasing their first automobile. But the experience of our company and the experience of several other well known companies (perhaps naming them) is that on the second purchase the buyer profits by his experience and sees that the ——model is the most practical."

If the prospective buyer assents, the salesman continues with a description of some person's experience which he has selected as one to convince the prospective buyer before him. The skilful salesman knows that while he is talking the man before him is doing his own thinking and checking up his own views with those of the user referred to. The point is that the prospective buyer is more susceptible to suggestions drawn from the customs and experiences of other buyers than he is by plain outright argument from the salesman's own convictions. The first kind of material he will likely put down as actual facts to be heeded. The salesman's own statements he may regard as mere "selling talk."

Getting a Professional Buyer to Clinch the Decision.—A designer for a wholesale garment maker had created a new waist which he and the sales manager of the firm regarded as a very distinctive and salable garment. But the sales man-

ager had trouble convincing his chief executive that the new number would be well received by the trade.

"Why not take the opinion of somebody outside the house?" finally asked the sales manager, in desperation. The buyer of a nearby large retail establishment agreed to give his opinion of the waist, and the sales manager put the matter before him immediately. The answer of the retail buyer was an immediate order of good size and the comment that he was likely to want more.

Summing Up the Various Points.—Salesmen of articles such as automobiles, typewriters, vacuum cleaners, washing-machines, etc., should bear in mind that prospective customers, in considering a purchase, have often investigated several different makes of machines. This may or may not be an advantage, for trying to weigh all the various points and claims may have produced a confused state of mind.

System tells how a salesman dealt with a man who wanted a typewriter but who had looked at so many different makes that he did not know which he wanted. This salesman assured the buyer that he wished to help him select a typewriter that would be best for him, regardless of whether or not it was the one the salesman handled. He induced the prospective buyer to write down a list of the good points he desired in a machine. "Now," said the salesman, "are those the features you really want? Well, here is how the ——— Typewriter meets your requirements." He laid down a carefully prepared list of the strong points of his machine and on it the buyer found all the points he had listed and many more. He bought the salesman's machine.

How Good Tactics Overcame Six Obstacles.—A writer in *Motor World*, Ed. Beatty, illustrates a typical automobile sale in which six objections or obstacles were offered by the prospective purchaser. Mr. Beatty says: "It pays to study your prospective customer, determining at the start what practical points he is most interested in and on what points he is likely to show the most sales resistance. I am firmly convinced that price is secondary and that the salesman should not make it a leading point of his talk nor allow the prospective customer to do so. If he will sell the automobile itself,

the company that makes it and the local organization with dependable service, he won't have much trouble about price."

A woman and her son who seemed unusually well informed about automobiles came to buy. In the making of the sale there were six points of resistance to overcome.

1. The callers, while shopping to satisfy themselves, were decidedly in favor of buying one of three other makes of cars.

This obstacle was side-tracked and the Oldsmobile put into the race by dwelling on the reputation and financial connections of the Olds Motor Works, the reputation of the local selling concern, the facilities for serving customers, and references to service rendered to customers known to the two callers.

2. The prospective purchasers regarded the Oldsmobile as too high-priced.

This point was ignored because the price could not be changed. The thing to do was to develop appreciation of the quality of the car.

3. An 8-cylinder car was not wanted.

The efficiency of 8-cylinder motor construction was made clear. Reference was made to the information on that subject in standard gas-engine books. The car itself was deftly demonstrated.

4. More had been offered on the trade-in by another dealer.

It was explained to the prospective customers that it was not good business to allow more for a used car than it was worth; a dealer who did that could not afford to give efficient service to customers, and so on. The Oldsmobile salesman held that his concern preferred to give good service rather than make a showing of a large volume of sales at any one time.

5. There was no car on hand of the particular body type desired.

This was a perplexing difficulty but was solved by conveying the prospective customers in the open demonstration car that evening to an Oldsmobile dealer in a city 50 miles away, who had the desired model.

6. Finally, the woman and her son did not like the standard body color of the car.

They were convinced, however, that the standard Oldsmobile color was more durable and more expensive to apply than any special color which they preferred. The recommendations of owners of the cars and of local automobile painters were used to substantiate the salesman's statement, also the information in several treatises on automobile body finishes.

When five of the obstacles had been swept away, the two prospective customers were so much in love with the handsome, smoothly working Oldsmobile that they no longer regarded as

an important consideration the difference of several hundred dollars in price over the three other makes.

Keeping the Sale Sold.—Even after his name is on the dotted line, the customer may not be completely sold. As all who have had much experience in selling know, there comes an instant, just after the decision, when many buyers suffer a twinge of doubt, may even consider reversing the decision to buy. It is wise, therefore, for the salesman to find a way to congratulate the man on his decision and to drive home some of the strong points that helped to make the sale.

In retail selling, salesmen can pass some pleasing comment on the style or quality of a suit, or, in the case of bargains, mention the way the goods sold at a higher price, in order to reassure the customer and prevent a return of the purchase.

A specialty salesman, after he has made a sale, comments enthusiastically, while packing the samples, on the ones chosen by the buyer. He refers to various plans for handling these goods, tells of how some merchant in the next town sold a \$50 case in a week, or how some other buyer had to place a second order before his season was half over, and so on.

What a Friendly, Helpful Attitude Does.—George H. McGurty, in the *Burroughs Clearing House*, outlines impressively how a helpful service spirit is the salesman's constant asset, accomplishing more in many kinds of selling work than sensational or adroit tactics.

You're out to give service; to convince every person you meet that your bank is worthy of his highest confidence and that you're worthy of the bank's confidence as its representative. Let your prospects tell you their troubles, their successes, their failures and their joys. Listen to their anecdotes about the baby, about grandpop, about Cousin Eddie.

Take pleasure in listening to them. It makes your job no longer a contest where you pit your skill against a prospect's reluctance, but an occupation full of color, in which you learn a million little things about people that give you understanding.

A bank solicitor doesn't need to sell. His job is to help—if he's going to be the highest type of bank solicitor. I feel that every minute ever spent in "being friends" with people came back to me bearing a hundred-fold reward.

You don't want high-pressure methods. They're for the man who sells and runs, who "cleans out" a district and then moves on. The good

bank solicitor can go back to the territory he's covered—go back the next day or ten years later—and be remembered and called friend.

And here's how that has its reward—if you need a financial reward in addition to a fellow man's friendship. You've sold John Jones a savings account. You spend ten minutes with him afterward making him a friend. The next day you call on Christopher Simmons. You didn't know it, but he's John Jones' brother-in-law. And he heard about you the night before when he spent the evening with Jones.

Does making friends pay?

Or again. You talk to Bill Smith. He has an account and doesn't want to change banks. But you make a friend out of him just the same. His opinion of you and of your bank will be reflected in dozens of discussions that he'll have with his friends. And six months later, maybe, he wants to take out a second account for his wife, or possibly for the baby. He thinks of you and reaches for the telephone.

Does it pay? I want to repeat, that the time a bank solicitor spends in making friends brings him a hundred-fold reward.

Accounts come to a solicitor in a thousand ways that he doesn't suspect beforehand. You get accounts because you stop to admire a flower bed, because you read a certain magazine, because you like horses—sometimes, because you wear a conservative necktie or have a bald head.

Proving to the Dealers That Buyers Exist.—*How to Sell-and What* tells of a salesman who covered small towns in the Middle West, usually telephoning to his customer from the adjoining town. On one occasion he decided to call on his Salina, Kan., customer without telephoning. When he reached the store the merchant exclaimed that he was "awfully sorry" that the salesman had bothered to come. He had expected the usual telephone call when he could have told the salesman that he wasn't buying a dollar's worth from any one, and so on.

The salesman parried:

Well, Mr. B., that's a great way to greet an old friend. Don't you know that prices are way down and that styles have changed greatly? Surely you want just a few garments for an early spring showing.

The merchant declared he absolutely was not buying a single one; he intended selling garments left over from last spring—had ample stock.

The salesman argued:

You have a number of women here in town who usually buy in Hutchinson (an adjoining town). 'Phone them a salesman is here with a classy line of spring suits. Tell them they can make a selection and that you will give them a very special price. I'll show you that we can sell a few suits.

The merchant demurred. Still the salesman persisted, said he would do all the selling if the merchant would have the telephone calls made.

Finally, rather hopelessly, the retailer consented, though he was sure it would not do any good. He telephoned to one woman. She said she would come to look at the garments. Others promised. The salesman's trunk was brought to the store, and in half an hour he was prepared to sell spring suits to women who never thought of getting them sooner than in time to wear on Easter Sunday. And this was in the first week of the New Year.

The salesman exhibited his best-looking garments and used the argument that buying in this way practically safeguarded the customer from having a garment like that of any other woman in the town, and it would be ordered in her correct size.

Enough sales were made to warrant the retailer in placing a substantial order. Besides, the store gained some customers who had the out-of-town buying habit and who were flattered by having special attention paid to them.

Time Records as a Means of Selling Cash Registers.—A successful salesman of cash registers usually visits several departments of a large store before beginning his solicitation. Making small purchases, he uses a stop-watch to see how long the sale takes and how many minutes of the saleswoman's time are required for sending the money to the central station and waiting for change.

He takes an average of his findings, does some figuring on the number of salesmen and saleswomen employed and is prepared to give the store proprietor some impressive showings on time lost by employes. He also uses the argument of the irritation to customers at having to wait for change.

It usually happens that the store proprietor had not made a close study of this subject and will take a keen interest in the figures, if they are typical of every-day transactions.

How Shall the Salesman Take Leave?—The A. B. Dick Company, makers of the Edison-Dick Mimeograph, advise their salesmen:

(a) After a sale is concluded, final arrangements for payment and delivery of the machine must be made. Find out who will have charge of the mimeograph and arrange to come back and instruct the operator. Also tell the purchaser what service he may expect to receive and how he may secure supplies in the future. Also clear up any other minor details regarding the purchase.

(b) After a failure to close the order, if a machine is to be left on trial, plan to come back shortly and make another effort to sell it. Don't wait too long before returning. Keep at the prospective purchaser persistently until you get his order.

(c) After a definite rejection, be sure you leave a favorable impression and thus keep the way open for further promotional work, either by yourself, or by any other associate of the A. B. Dick Company. But whether your efforts have resulted in a sale, a trial, or a flat refusal to buy, never be outdone in the matter of courtesy. It will assure you a pleasant reception when you call again.

Salesman Tries to Put Himself in Dealer's Shoes.—A salesman of unusually good record with a well known manufacturer, describing his working practice, says that in introducing dealer aids he has found it advantageous to try to put himself in the place of the merchant. He tries to figure out what he would do to move the goods from the dealer's shelves, if he had the responsibility of running that store. Instead of mailing posters, counter-cards and displays, window-trims, or other advertising material, to his trade, or having the home office mail them, he brings them to his dealers, explains them and advises as to the best method of using. In a great many cases he attends to the installation himself. This salesman makes himself welcome everywhere, because his interest in the merchant's success is real and because the retail merchant's helpers look on him as a good business friend.

How Show-card Writing Ability Helped.—A salesman who has been unusually successful in selling to the rural trade

attributes his success almost entirely to the fact that he has honestly been interested in the merchants on whom he calls and has tried to help them dispose of slow-moving stock, whether that stock happens to be his own goods or something that has been sold to the merchants by other concerns. The experience is related in *Business*.

This salesman covers a territory containing about fifty-five or sixty small towns of from 200 to 1,000 population. During 1922 he sold dry goods in this territory amounting to about \$250,000.

After more than a year of mediocre results, this salesman was one day trying to make a sale when the dealer, instead of being interested in buying more goods, showed where his thoughts were by saying:

I wish I could make some good-looking display cards. If I could do that, I believe I could easily get rid of some of those goods over there that have been on my shelves entirely too long. But I haven't any materials for making display cards, and I couldn't make them if I did have the material.

The salesman did not make his sale that day but the merchant's remark set him to thinking. The result was that he conceived the idea of helping his dealers to *sell* more goods in order that they might *buy* more.

From the trade papers and other sources within his reach, this salesman began to study the hints on show-card writing. In a short time he was fairly expert in the making of small cardboard signs and price tickets.

From the very first this new ability proved to be a business-getter for the salesman. The merchants soon began to look upon him as a real friend and adviser, rather than a mere salesman for the firm that employed him. The merchants in his field put up so many other problems to him that he was almost forced to learn something also about advertising. Then he began to pick up items of all kinds about effective sales plans, displays and demonstrations. The additional knowledge increased still further his stock of "service salesmanship" and his total of orders.

DEMONSTRATION

Much of the space of this Section is devoted to demonstration, for the reason that no other kind of salesmanship is so effective as good demonstration. Demonstration may appeal to several of the senses and it may connect with various instincts or motives.

Other Sections of this volume deal to some extent with demonstration and should be referred to in connection with the data and suggestions that follow.

Points That Help the Demonstration.—One general manager who has given a great deal of attention to demonstration has made it a point to provide the most comfortable chair for the customer during a demonstration. A heavy chair was purposely selected so that it could not be easily moved and would remain in the most advantageous position. By making the visitor comfortable, the demonstrator finds it easier to make him forget other calls on his time. These suggestions apply especially to demonstration rooms maintained by the sales force.

With some products, it is rather difficult to make the demonstration readily applicable to a particular business. The question of cost is likely to be so prominent in the visitor's mind that, together with the strangeness of the demonstration room, it may be doubly hard to impress him with the usefulness or time-saving qualities of an article. The National Cash Register Company overcomes this handicap by fitting up their demonstration rooms like retail stores. They carry this idea still further by equipping each demonstration room with three different lithographed interiors of stores, featuring different groups of business. For example, the hardware merchant may be made to feel at home by having displayed before him the interior of a typical hardware store.

The manufacturers of the Postometer add to their demonstration room the equipment for a model mailing department. This not only serves to demonstrate their equipment to the best advantage, but offers to prospective customers valuable suggestions for the adoption of improved mailing equipment in their own business.

Salesmen may impress certain selling points by drawing simple illustrations on a blackboard. This is not difficult to do and it drives home a point without requiring the visitor to leave his chair.

When the demonstration must be based on the method of manufacture, moving pictures are obviously of great value. Many of the most modern demonstration rooms are supplied with the necessary moving-picture equipment.

Limiting Demonstration to One Article at a Time.—It is sometimes difficult to get a visitor to give his attention to any one article and impress upon him at the same time that the firm can furnish sufficient variety. The lighting is an all-important factor in overcoming this difficulty. One ingenious salesman of shoes dims the light in his demonstration room and brings a bright light to bear on a single model, while he explains its selling points thoroughly. He will not run the risk of confusing a visitor by pointing out a showcase containing a full assortment of samples, but brings out his selections one at a time and covers their good points while they are under his central light.

Demonstration before Conversation.—There are salesmen who find it a better plan not to seek an interview immediately upon their arrival. The salesman of an "add-hot-water-and-serve" coffee carries a vacuum jug of hot water and quickly makes a few cups of coffee and passes them to customers in the store, until the proprietor is at leisure to see him. Often customers will help to do the selling by asking the proprietor, who perhaps does not even know a salesman is in the store, why he does not carry that brand of coffee. The vacuum bottle and the neat paper cups and spoons (Exhibit 210) make a good impression on both customers and store proprietor.

The N. C. R. Famous 5-point Demonstration.—Among the demonstrations that have been made a part of sales instruction none are more famous than the 5-point demonstration used by the National Cash Register Company. Every salesman of this great organization is schooled to make an impressive demonstration of the fact that the cash register records (1) cash received on cash transactions, (2) cash received on

account, (3) charge items, (4) cash paid out and (5) change transactions.

The probabilities are that many small merchants do not realize until they see this demonstration just how many chances there are in a day for cash to become mixed up, through improper recording.

The N. C. R. salesman takes no chance that when he comes to the point of using cash in his demonstration the amount will be wrong and he will be unable to make change. He has



EXHIBIT 210.—The attractive demonstration kit used by George Washington Coffee salesmen.

been schooled to carry in one of his pockets the right amount of money to put into the drawers of the machine when about to begin demonstrating. He has also been schooled to ask the prospective purchaser, at just the right time in the demonstration, to press the keys of the register and “ring up” the purchase. The company’s long experience has taught the salesmen the value of this little expedient in developing the feeling of ownership on the part of the prospective purchaser. The

moment he begins touching the keys of the register there comes up within him something of the feeling that the boy has when he touches a new toy. Grown-ups, as well as boys, like to play with machines. There is also something aroused that is akin to the feeling one has when he has tried on a new hat or coat and likes himself in it.

Some of the later cash registers and the statement blanks furnished as a part of the cash register system enable the merchant to show these items quickly:

1. Total net cash sales.
2. Total net charge sales.
3. Total net sales, cash and charge.
4. Total received on account.
5. Total outstanding charges.
6. Total net amount of each clerk's sales.
7. Total petty cash paid out.

These totals are invaluable for income tax reports and other purposes, and they can be made the subjects of impressive demonstrations.

Use of Large Pads in Selling Cash Registers.—National Cash Register salesmen make good use of large pads of paper arranged on a rack or stand so that figuring or sketching done with crayon can be read from a distance of ten to fifteen feet. Whenever any argument is advanced about saving, the figures are put down and the calculations are made as the argument is worked out. The motto of N. C. R. sales work for many years has been "Illustration is your best argument." Even when such explanations are made as that certain kinds of business systems and methods appeal to different senses, an eye or an ear will be drawn on the sketch pad to impress the thought. The point is that people may not always hear clearly what the salesman *says*. They may not grasp quickly what they *hear*, or they may forget what is said by reason of not concentrating closely enough on the demonstrator's language. What the prospective purchaser *sees*, however, is impressed more deeply on his mind.

These large paper pads are equipped with many sheets. As soon as one is used, it is thrown over the rack and a fresh sheet exposed for further writing.



EXHIBIT 211.—The National Cash Register Company's method of visualizing every important selling point by writing brief texts on a large pad of paper, the sheets of which are thrown over the top as the salesman proceeds from one point to another. Calculations that the salesman performs to illustrate savings or improvement of service are written on these sheets. Sometimes rough drawings are made to illustrate certain points.

Exhibit 211 shows the National Cash Register's method of using the large pad to emphasize selling points.

An Impressive Pile of Dirt.—Demonstrators of vacuum cleaners have a clever way of shocking the housekeeper into a realization of the need for a vacuum cleaner. They run their cleaner over a rug that looks clean and then, laying a large sheet of paper on the floor, dump a big handful of dirt from the cleaner. The paper background makes the pile of dirt very impressive. Then, the demonstrator points out that the surface of the rug, instead of being ironed down, is raised up freshly by the upward currents of air.

Demonstrating Methods of the Calumet Baking Powder Company.—The demonstrating crews of the Calumet Baking Powder Company are supervised by a manager and his wife. In some cases the manager secures a furnished home and the girls are housed together. Where this is not done, the entire crew is lodged at a Y. W. C. A. or in a private boarding house. Comfortable living conditions are provided, because the company firmly believes that this is the only way to build a demonstration force of loyal workers that will adequately represent the company's product.

Following a careful training, the demonstrator goes out with an experienced worker. But even after it has been decided that a demonstrator is capable of working independently, her work is checked up with dealers and even in some cases in homes. Any attempt to claim too much or to make a misstatement is not tolerated by the company.

These women or girls call at homes, not to distribute samples but to give a practical demonstration of the qualities of Calumet for baking. The most careful attention is given to the subject of proper approach, keeping in mind the disinclination often to deal with house-to-house salesmen and the housekeeper's pride in her own methods. The opening question may be "Are you interested in the better methods of cooking?" Immediately, the demonstrator assures the woman that she is not at her home to make a sale especially but to show her some things about baking powder that the Calumet Company wants every one to know. The demonstrator is equipped with a small alcohol lamp with which she can quickly make

impressive tests. While the test is in progress a concise, interesting story is told that the housekeeper is not likely to forget quickly. If the housekeeper indicates a willingness to try a can, the order is taken and turned over to her preferred grocer. A useful little cook-book goes with the first purchase of Calumet.

The supervisors of these demonstrating crews are prepared to turn over to grocers a sufficient stock of Calumet to fill the orders that come in through demonstrators. This is necessary, because often the demonstrators are working in territory where jobbers have no stock of Calumet and there would be so much delay in filling the customer's first order that much of the good effect of the demonstration would be lost.

Demonstration of a Slicing Machine.—A salesman of slicing machines has a most convincing way of demonstrating his machine. He enters a butcher-shop as a customer and buys bacon ends which the butcher is glad to get rid of at a decided reduction. Then he returns to his automobile and brings a slicing machine into the shop. Connecting with an electric light plug, he proceeds to slice the bacon ends just bought. If it is new territory for slicing machines, the butcher may be given the privilege of buying a machine without making any prepayment and at as low a rate as \$3 a week. This puts the sale in the light of a transaction that pays for itself.

Red or Blue Pencils Effective in Demonstrations.—The making of figures on a large or small pad is an effective way of adding effectiveness to calculations of saving, stock turnover, etc. The National Cash Register men's use of this method has already been described.

An insurance agent declares (in *Personal Efficiency*) that when the crucial moment has come when he must make notations for his prospective policyholder, figures and notes made with a hard red crayon pencil somehow seem to make a greater impression upon the prospective purchaser than ordinary pencil writing. A blue crayon pencil is used by the vice president of a coal corporation in his sales figuring. Possibly, the very unusualness of the method aids in commanding attention.

“A Child Can Operate It.”—This phrase is used often in connection with cream separators and other devices. In a tractor show out in Ohio, a Heider tractor was run up and down a board track with a 6-year-old boy easily starting, stopping and backing the machine. It is apparent that such demonstration adds greatly to the force of a slogan.

Soils His Hands, Then Cleans Them.—A salesman selling a cleanser demonstrates by taking from his case a can of black enamel, a can of his cleanser, a tin bowl and a thermos bottle containing ice water. The ice water he pours into the bowl; then he thoroughly begrimes his hands with the black enamel. Then, with the cleanser and the ice water, he cleans his hands perfectly and presents them for inspection. By conducting a similar demonstration of the use of the cleanser on wood work, he makes clear that there is no chemical action to injure skin or varnish.

(Summarized from *Salesology*.)

Convincing Prospective Purchaser of His Need.—A salesman of linotype equipment had a very difficult time convincing a publisher of the saving he could bring about by using machine-set headings in his paper for the articles and advertisements. It seemed impossible to convince the publisher of the large amount of work represented in the hand-setting of these headings. The salesman finally took an issue of the paper, clipped all of the headings and pasted them on a sheet of paper. The sheet was about 14 feet long. When the publisher saw this exhibit he capitulated.

Demonstrating Strength of Automobile-tire Tube.—The salesman of a well known automobile-tire tube has effectively demonstrated the strength of his product by towing an automobile through town using one of the tubes as a towline. In order to make the test as impressive as possible, a tube is taken from the dealer's regular stock and viewed by a committee so that no one may have reason to suspect that a tube of special strength is used. The automobile that is towed is loaded with several men and there is a placard on the machine announcing the test.

Another Inner Tube Demonstration.—The strength of an inner tube for automobile tires has been effectively demonstrated by suspending from a single tube a huge cube of iron weighing about a ton.

Demonstrating Unbreakable Vacuum Bottles.—A manufacturer of unbreakable vacuum bottles found that one of the most effective ways of stressing the merit of his article in the retail store was to furnish the retail salesman with an extra bottle for demonstrating purposes. The salesman was coached to let this drop. Though the repeated dropping dented the bottle a little and spoiled it as a first-class article to sell the consumer, the demonstration so impressed the customer that he was nearly always willing to buy this higher-priced article without further argument.

A Surprise Lighting Demonstration.—A selling agent of a farm home lighting system executed a smart bit of selling work when he arranged to demonstrate his outfit at a local grange meeting. When fifty or sixty farmers had assembled and the old oil lamps had been lighted, the meeting was called to order and the room was all at once made as bright as day. This demonstration made just the right kind of impression to pave the way for the agent's subsequent calls on the farmers and did something that mere talk could never have done.

"Torture Test" Demonstration of the Lee Tires.—Exhibit 212 illustrates one of the most striking demonstrations ever staged by a manufacturer. The Lee Tire and Rubber Company manufactures tires by a method of introducing three layers of circular steel discs which are so superimposed and vulcanized into the rubber of the carcass of the tire that they constitute a protecting armor.

While this feature of automobile tires was advertised liberally, it is something that the tire purchaser has to see in order to be thoroughly impressed. This manufacturer for years had urged dealers to put Lee tires to the test by conducting demonstrations of running tires over nails. Factory demonstrators were sent out to show dealers how to make this test, and here and there some enterprising dealer would follow the plan.

But dealers would not ordinarily go to the trouble of preparing planks for the test; or they would prepare them in such a way that competitors would criticize and say that the test was not equivalent to running over actual nails standing upright in boards.

Therefore, the Lee Tire and Rubber Company made up 10,000 boards of heavy material, 2 inches thick, 3 feet long and 8



EXHIBIT 212.—The dramatic "Torture Test" Demonstration used effectively by Lee Tire & Rubber Company dealers.

inches wide. The ends of the boards were tapered, as shown in Exhibit 212. The rows of nails were placed close together, and the nails themselves were case-hardened and well pointed.

Dealers were notified far in advance of a demonstration campaign and invited to ask for a set of the boards. These were retained by the dealer permanently. One week was selected as a general Demonstration Week throughout the country and a campaign of newspaper advertisements was

scheduled to run in 125 cities. All of the advertisements featured the puncture-proof quality of the Lee Tires and five referred specifically to the street tests. The latter part of the series was designed actually to make sales of the tires and told where Lee Tires could be purchased.

During the period of the newspaper campaign, two large trucks equipped with signs, and carrying expert demonstrators, went through the country on extended tours, covering the towns where Lee Tires were sold. These gave demonstrations of the "Torture Test," in which dealers sometimes cooperated. At any rate the dealer was made alive, if possible, to what might be done through a regular demonstration of the "Torture Test." The plan was, of course, to encourage and coach dealers to make their own demonstrations rather than for the men accompanying the truck to do this work.

It is said that the campaign was a successful one. The gain over the company's previous efforts is explained by these facts:

1. The manufacturer by supplying the proper equipment made the demonstration easier—overcame the natural inertia or negligence that will exist in most cases where the retailer is left to his own resources to assemble suitable material for a manufacturer's demonstration.

2. A definite campaign, a real plan, was laid out, with a specified week in which the "Torture Tests" would be given in all parts of the country. Here the psychological effect on the dealer was that if he did not take part he was not doing something that other enterprising dealers would do.

3. The new effort had behind it a campaign of public information, localized and winding up with appeals for sales, and directing the reader to the store of a Lee Tire dealer.

4. The effect of the special trucks and demonstrators was more impressive than correspondence or even the call of a demonstrator. The visits of the trucks showed dealers that the company meant business.

An advertisement that ran during the week of the Lee "Torture Test" showed a car in the position illustrated in Exhibit 212 and contained the following text:

The proof of Lee Puncture-proof Tires is this demonstration that they positively do not puncture.

It is called "the Torture Test."

Every day this week, beginning Monday, at 10 A. M. and 4 P. M. sharp, Lee dealers in this city, and from coast to coast, will stage this demonstration—actually run a loaded car, equipped with Lee Puncture-proof Pneumatics, over the upturned points of sharp nails driven through heavy planks.

Lee Puncture-proof Tires are covered by a cash refund guarantee against puncture.

See this demonstration. It proves that Lee Tires are actually puncture-proof.

How Demonstration Stabilized Sales of "Wear-Ever" Aluminum Ware.—One of the early problems of the Aluminum Cooking Utensil Company's sales organization was the fact that dealers who purchased aluminum ware did not usually enjoy a successful experience—lost money on the undertaking or had the ware remain on hand a long time. It became evident that an insufficient demand had been created for aluminum, so that the retailer did not receive profit consistent with the amount of effort and money expended. Accordingly, for a year the Aluminum Cooking Utensil Company relaxed on sales to dealers and concentrated on building up consumer demand.

A special line of utensils, not handled by dealers, was sold by young college men through house-to-house canvassing. These young men—many of whom worked only during summer vacation—were carefully trained to sell the value of aluminum ware in general to the housewife. The special assortment they introduced was attractive and gained ready sale, but, as was expected, the acquaintance of the housewife with aluminum ware induced her to add to her supply from the stock of the dealer. These young men were schooled to make simple but impressive demonstrations of how aluminum ware would heat evenly, retain heat, and so on.

This same idea was carried out in magazine advertising. Some special utensil was featured, which could be secured

direct from the company at an attractive price. When people learned the qualities of aluminum ware through actual use of these specially advertised and demonstrated articles, they did the expected thing and increased their stocks of aluminum utensils through purchases from dealers.

SECTION XXV

BECOMING A MASTER SALESMAN

The material that follows is a reprint of part of a series of *Better Selling Talks*, published originally as loose-leaf Bulletins and used as a reading course by a number of sales organizations.

Though these frank talks deal to a large extent with the fundamental principles of salesmanship, it is believed by the author that some readers will find this the most helpful Section of the text, inasmuch as the suggestions are directed to the ambitious individual who is seeking to develop himself as a master salesman.

These talks were written originally more in the style of letters than as text-book definitions or discussion. They abound with "you," "I," and personal experiences. This chatty style of address is allowed to stand in the belief that its directness and conversational expression will increase the helpfulness of the suggestions.

If some of the illustrations appear elementary, the author trusts that the reader will remember that one of the greatest sales organizations of America uses such illustrations freely in its appeals to business men. Even a simple picture often serves to drive home a truth that is not easily grasped from a reading or hearing of mere language.

In writing these talks, no attempt has been made to differentiate sharply between the kind of salesmanship that is practiced in retail stores and that which is practiced by the traveling salesman who proceeds from house to house, office to office or plant to plant, or that type of salesmanship exemplified by visits on retail or wholesale merchants. Each of these classifications of selling has its peculiar problems but all have many principles in common. The man whose work is that of selling to retail dealers should be well informed on good retail salesmanship, for he has many opportunities to suggest

and encourage better retail practice. On the other hand, the man who sells in an office or store and who enjoys the advantage of having a prospective buyer, already interested to some degree, come to him, can derive much from a study of the work of the salesman who must seek his buyers and must use strategy in getting a hearing for his message.

Sales managers who are frequently looking for material that will afford a basis for a series of bulletins or general letters to their men, should find these talks helpful. If they desire to incorporate a quantity of this instruction in their own messages, they are invited to correspond with the publishers of the volume. Any reasonable request will be granted.

GETTING READY TO SELL

A sales manager found it necessary a while ago to send a general letter to his staff, beginning in about this way:

We have been receiving an unusual number of reports lately that give us the illuminating information that Mr. So-and-So, the purchasing agent, or the other man our representative called to see, is "not interested." Without desiring to be ironical, let us assure you that the company is well aware, long before you go out, that 99 per cent of the people who ought logically to be our customers are not interested. If they were interested, we could perhaps write them letters, send out catalogues and take their orders by mail. The job that this sales organization has is to go out prepared to *interest* people in our product, to make them see that they can use to advantage something that they haven't thought a great deal about buying. There's something wrong with the preparation of the man who has to leave most of his prospective customers "not interested."

What would you think of the automobilist who would start out on a tour without any study or inquiry as to the route he should take? How would you regard the navigator whose idea of sailing from New York to Havre was that of getting out into the ocean by the nearest route and letting his ship take her own course?

Ridiculous, of course, and yet the view that many seem to have of salesmanship is that it is a simple little procedure calling for no special preparation, no regard for fine tactics,

no necessity for close observation. Hence, the term "order-taker" flung sneeringly at hundreds of thousands of men and women who are in the business of selling.

The "book agent" is often spoken of as a troublesome type of salesman, a business worker of lower order than one who sells automobiles or fine furniture. Yet the book man usually gives a fine example of preparedness. He starts out facing the plain fact that no one, practically speaking, *is interested in what he has to sell*. His prospective purchasers are on the defensive. He knows he has hard work before him. To



Knowing the best route helps greatly.

accomplish anything, he must win attention, develop interest, and finally induce belief or conviction, and action. Mr. Successful Book Salesman primes himself with a full knowledge of his merchandise. He has some good points at his tongue's end as a means of fastening attention. He has worked up effective answers to the objections his prospective buyer is likely to offer.

If the prospective customer says: "I have a lot of books now that I don't read," he says, suavely, "I'm sure you have. All of us have. But here is a book that you *will* read—that

you will enjoy reading and one that has an actual profit in every chapter. Just look at these titles, sir."

The book salesman knows how to demonstrate what he is selling. He knows the value of putting the article in the prospective purchaser's hands as he points out certain features. He has learned that much is gained by an orderly canvass that covers the selling points of the commodity thoroughly and leaves no important question unanswered in the prospective purchaser's mind. He is a keen student of mankind, which of course includes womankind, and is alert to use every advantage that such study reveals. If there is a child in the home, he tells of the benefit to children. He aims to make early sales to leading residents of the community.

He is a master of the art of skilful closing, and he makes the act of buying as easy as possible. Like every other true salesman, the successful book man *creates his demand and then fills it*. He says that any one can sell the things that people have, of their own accord, determined to buy—that real salesmanship means *making* a market.

The law of averages works for him, as it does for all, and earnest, persistent effort yields the desired result in a certain percentage of cases. He doesn't let the failures in two cases keep him from thorough work on his next call.

Much is said about "born salesmen." They are certainly born or they wouldn't be around. It is undoubtedly true that some are born with more aptness for selling work than others, but most people have a good average assortment of talent or ability and can become successful salesmen if they make a real effort. Timidity and lack of confidence can be overcome.

The successful engineer, navigator, military commander, lawyer, politician, preacher, all plan their campaigns or undertakings. This does not mean, either, that they start out to follow cut-and-dried programs to the letter. They know the value of resourcefulness, of special means to meet special conditions, but they anticipate conditions as far as possible, so as to keep clear of surprises, embarrassing admissions, the breaking up of trains of thought and action, confusion, and all the other things that serve to divert and maybe per-

manently side-track the desired result. They get ready as far as they can. And this doubles or trebles their chance of success.

The buying world expects the salesman, first and last, to make out a good case for what he offers. He can do that only through PREPARATION, by being ready to sell when he begins to sell.

USING OTHER PEOPLE'S ABILITY

During the years that I was actively engaged in the teaching of salesmanship and advertising, I found one question or problem arising more often than any other. Again and again students—and bright ones, too—would ask: "What you have told or shown is very good and doubtless highly effective in selling vacuum cleaners, but you see my business is that of selling lawn mowers (or baby carriages, or fireless cookers, or harness, or fruit trees). Please take an example from that business."

There are thousands of different products sold. No man's life is long enough to have detailed experience in many different lines, and yet a good salesman can go from life insurance to educational courses, from investments to automobiles, from tractors to adding machines and often be just as successful in his new line as he was in the old. Why? Oh, just because he has learned that wonderfully valuable lesson of *adaptation*, which means taking a plan, method or idea that has worked well in one line of selling and adapting or modifying it so that it will apply to another line.

Here is where I am going to confess a secret. A large cement corporation once credited me with being a smart fellow because I showed them how to sell a 50,000 edition of a calendar to the dealer trade *at full cost*, though the calendar indirectly advertised the corporation's business and created dealer good-will besides. The secret is this (and I told it to the corporation later): I didn't *originate that idea at all*, but, long before, I learned that a cream-separator manufacturer had been successful in selling farm-implement and farm-supply dealers such a calendar. I got full details, studied them, saw how the plan

could be changed and applied to the building material trade. Not much similarity between cream separators and Portland cement, is there? But the fundamental principle of the plan was the same in both cases.

A "baby letter," used successfully by a number of national banks, was an adaptation of a cute baby letter sent out by a large department store. The jump from infants' wear to savings accounts is a long one. But it was made. Just adaptation—that's all.

The demonstration methods that have proved so successful in selling cash registers can be applied, fundamentally, to hundreds of other mechanical products.

The subtle, suggestive closing talk that induces the life-insurance purchaser, when he is hemming and hawing about signing, to close and take his insurance is based on principles that need only a change of words to be successful in a dozen other fields of selling. Just get the right ideas into your head and you probably won't have any serious trouble in presenting them properly. The dictionary is full of words!

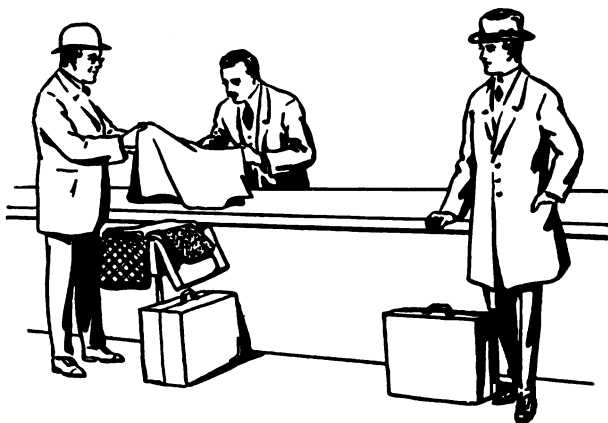
Take, for example, this principle of selling—that if you can get a prospective buyer to handle the article, provided it is something that is not likely to be injured by handling—you greatly increase your chance of making a sale. People not only see goods better when they handle them but they can operate, test or feel them, and then that "instinct to possess" comes into play. Retail salespeople often forget this. They point to the goods on the shelf or in the showcase, when the customer indicates some interest, and say, "There it is" or maybe "I'll take it out if you want me to." to which Mr. or Mrs. Customer probably replies, "Oh, never mind. Guess I won't buy today anyhow." And that sale immediately puts on its little wings, waves a farewell kiss, flies out of the door and down the street where, that day or some other day, it alights on the record of some other salesman who finds joy—real joy—in showing goods.

The keen specialty salesman never contents himself with referring to something in his sample book or case. He *shows* as he *tells* and gains by appealing to eye and ear at the same time.

I never see an earnest salesman or saleswoman at work on a customer that I don't watch and listen keenly for some method—some pleasing, leading argument—that I can adapt and use.

Tennyson said, "I am a part of all that I have met." It is right and proper and good sense for all of us to take lessons from the ability and practice of others and to adapt whatever is desirable.

No one has learned *all* about selling or any other big subject. Experience is undoubtedly the best teacher in the world but there is no need of any man or woman learning all the necessary lessons entirely through *personal* experience. We should



Every well managed sale teaches a good lesson.

take what we can get from the *experience of others*. That at least gives a fine start on our own experience.

Were I employing salesmen regularly, one of my questions to applicants would be "Can you adapt?"

"LITTLE FOXES THAT SPOIL THE VINE"

The Scriptures tell us of "the little foxes" that mar those characters and lives that, in the big things, have much that is commendable. There are those little foxes in the habits of business people—flaws that probably seem of little importance to those in whose lives they exist but which often loom up big in the eyes of employers and customers.

Many years ago I was in the service of a publisher who wanted to engage a sales representative for his Western office, an important job that paid a good salary and required a man of good personality. A number of men were being interviewed. One man whose general appearance and qualifications were impressive sat gnawing his finger nails while he waited, and he sat in full view from the door of the employer's private office. The employer's keen eye caught the finger-nibbling act. When the man's turn came to be interviewed,



"Bright looking fellow—but a nail-nibbler."

the employer gave those fingers the "once over." Every nail was nibbled down to the quick.

You may say that such a fault was a little thing, and so it was. The man may have had strong qualities that over-balanced such a childish habit. But just this little thing was enough to prejudice the employer against him. Some other applicant who wasn't a nail-nibbler had general qualifications just as impressive.

A few months ago my aid was sought in the selecting of a man who would be leader to some forty or fifty men. The

man needed was one that younger men would look up to, would take as an example in many things.

Two men were favorably considered for the job. Both had fine general qualities. After a good talk with each I said to the employer that I thought that either of the men would handle the job with credit. He agreed with me, and then he remarked "Did you notice how badly B——'s teeth needed attention?" The other man got the appointment. Whether bad teeth that had not received ordinary dental attention was the sole thing that lost B——the job is open to question. At any rate, it was a "little fox" that scored against him.

How often ungrammatical language grates on the ears of customers: "them goods," for "these goods," "there aint no use" for "there isn't any use," "you hadn't ought" for "you ought not," "I haven't saw," for "I haven't seen," Such crudities may not hurt sales with a certain class of customers, but with other customers they reflect on the salesmen and on the store.

From both a social and a business point of view, a salesman should have too much pride to speak faulty English. For a very small price any one can get a book listing the common slips of language and can easily weed out all of these errors from his speech. Many business offices have such books. All libraries have them.

Soiled collars and black-rimmed finger nails are still common enough. And one does not have to go far to find the salesman of foul breath who seems to try to stick his face close to you so as to advertise his unfortunate condition instead of trying to correct it.

The list of little failings could be made a long one.

There is the salesman who is habitually behind time in starting his work and in keeping up with it.

There is the type that is too boisterous, more interested apparently in horse-play than in work. Such advertise themselves largely by their noise.

Then there are many who are just a bit lacking in courtesy or in attention. Their failing is not a very decided one but just enough to make them "fair" workers instead of "Class A." They forget or neglect, are absent-minded, dreamy or

indifferent, because they do not concentrate. They have their minds on other things rather than on "How can I become an expert at this great business of selling?"

Fellow-workers or your boss could probably tell you of your "little foxes," if you ask. The chances are, though, that you could sit right down in your own room and make a list of them. You can be more honest and frank with yourself than any one else will probably be.

Why wait for some embarrassing experience to cure you of flaws that keep you in a lower grade in your chosen line of work?

WHY YOU HAVE TWO EARS

"That man is about the most satisfactory salesman I do business with," said a business man to a friend, as a caller completed his errand and gracefully made his exit.

"I noticed," remarked the friend, "that he talked particularly well."

"Yes," added the first speaker, "he *does* talk well but he is more than a good talker. He is a good listener, and he has the rare sense of knowing when to let his customer talk. That is something very few salesmen seem to know and, for that matter, it is something that few other people seem to know. Good talkers are scarce enough but good listeners are even more rare."

Only the people who have been deaf and have had their hearing restored know what a privilege it is to listen. Most of us appreciate our sight and our ability to talk and to taste but we seem to think very little of the blessed privilege of hearing—at least, it seems so from the way we usually listen.

Come, now, and 'fess up how often you talk with people and pretend to be listening, when all the time, though you are looking at them, your mind is entirely on something else or you are, at best, giving only half-attention. The result is that what is said to you "goes into one ear and out of the other." You know how discourteous you think it is when some one else bluffs at listening, while you are talking—when it is evident to you that little attention is being paid to what you say. Yet, though we can look through other people's thin veil of deceit,

we flatter ourselves that we can try the same thing and "get away with it."

From morning to night, at work, at home, and in social intercourse, a great deal depends on careful listening. The principal cause of forgetting is that people just don't listen attentively.

In selling, there are several distinct advantages gained by listening carefully and courteously. In the first place, to listen well is only plain politeness. It is rude to give the customer no chance to state his wants or views clearly, or to indicate a preference, or to interrupt him when he is attempting to say something. It is a compliment to give him earnest attention. All of us know how much depends on impressing the customer favorably right at the outset.



Charmed by the music of his own voice, he has forgotten that maybe the customer would like to say something.

When you do listen carefully and wait until the customer has come to a stop and is evidently prepared to have you say something, you have a better idea of what should be said, and, what's more, you have a customer prepared to listen.

In the second place, by listening carefully to what a customer has to say you get the best ideas of what is wanted and are able to bring out the kind of goods that will suit without a lot of lost motion. In every sale, whether you realize it or not, you are unconsciously studying the type of man or woman before you and endeavoring to make your reasoning appeal

to that type of person. This is an exceedingly important part of the art of selling. How can you understand what the other person is thinking about and what would probably appeal to him unless you give close heed to every word he says?

Even if you were the best conversationalist in the world, the customer is human enough to want to talk some. Let him do it. Let him feel that he picked things out for himself, that you just helped him to find what he wanted.

It is extremely irritating to deal with salespeople whose tongues are rattling along without stopping as if they were set on ball-bearings and working at both ends. You may sometimes talk people into buying things, but if you are not on your guard you will more often talk them out of it.

Talk enough. No one likes a mute.

But the fact that your Creator gave you two ears and only one tongue might possibly be taken as a suggestion that you should hear twice as much as you say. At any rate, make the best use of both ears.

"A salesman either talks much and well, or less and *very well*," said Nathaniel Fowler, Jr. Most of us would be helped by cutting the quantity of our talk in half and using the saved energy in improving the quality of the half that's left.

HELPING THE CUSTOMER TO SELL HIMSELF

Stripped of all the complex psychology with which some would surround selling, a sale is merely (1) a decision in the customer's mind that the buying of the article or service under consideration is the right thing to do, and (2) his buying act.

Now, a great deal has been written and said about the "knack of getting the customer to act," "getting the name on the dotted line," and so on. And it is true that getting action often requires skilful tactics.

But it is vastly more important to bring about in the prospective purchaser's mind the decision that it is a good thing to buy. It does no good in most cases to attempt to force action until that decision is at least partly formed. The customer will probably resent your forcing him, and even should you succeed in getting him to take the article, he is likely to be dissatisfied.

From the time you greet the prospective customer and begin to talk about and show your product, he is going through the process of making up his mind—either for or against buying what you have to sell him. This is a simple, obvious fact, of course, but it is no simple thing to so conduct your part of the performance that the prospective buyer will arrive at the desired decision and feel satisfied.

The sum and substance of this talk is that *the highest type of salesmanship is that which helps the customer to make up his mind without appearing to force or press a decision.*

Granting that you can force decisions on some people, you cannot do this with the better class of buyers. People who have minds of their own want to use them, and any obvious attempt on the part of salesmen to do their thinking for them will be resented, openly or otherwise. Suggestions that lead to the desired conclusions can, however, be put into their minds unobtrusively if the salesman is skilful with his talk and demonstration.

The smartest life-insurance man who ever called on me was not a voluble talker. He talked less than I did. By careful listening, he gathered the trend of my thoughts and then he *helped me to find out things about his life insurance policies that he wanted me to know.* He had the nicest, easiest way of leading me right up to fact after fact and then letting me feel that I discovered these things myself. When I referred to an attractive feature of some other insurance company's policy he said: "Yes that is a good feature, and a number of companies are carrying it in their policies in one form or another. The company you mention works it out this way. Now, we arrange that a little differently—this way."

He didn't add, "Now, of course, you can see that our way is far superior." Oh, no, but he made the figures so plain that I could see for myself. He really complimented me by showing that he didn't regard it necessary to state something that I saw clearly. He wasn't a mere flatterer.

"Know your goods thoroughly and show them patiently and enthusiastically," is a good working slogan. But there comes a time when enough showing has been done, when more showing will only confuse or perplex. The prospective buyer

is then nearing a decision and often really wants some one to help him.

Let's say it is a hat sale. The customer has narrowed down to two hats that he likes.

"Which one do you like the better on me?" he asks, concerned as much as a woman about making the proper selection.

"Try both again," says the salesman, and he views each critically. "You could wear either, but I think this one is a wee bit better for a man of your height." And the customer is actually grateful to have a confirmation of his own thought



When you keep on revealing pertinent facts, the moment comes when the customer welcomes the salesman's aid in arriving at a decision.

that maybe one of the hats was slightly better for him than the other.

Of course you are thinking that the procedure will vary with different types of customers. Certainly. That is the interesting thing about the selling of goods—the wonderful variety of human nature. Just the same, you are working toward super-salesmanship when, by skilful showing of goods and the tactful revealing of facts, you present information that enables customers to form their own conclusions.

DON'T OVERSTATE YOUR CASE

A curious thing about discussions on the ever-interesting topic of salesmanship is the little that is said about BELIEV-

ABLENESS. So much is said about how to get attention, how to turn attention into interest, how to make interest grow into action, and so on. And yet, as one clear thinker has said, "it is much more difficult to induce belief than it is to get action: if you can get people to believe, it is comparatively easy to get them to act."

The customer is usually more or less skeptical about the salesman's representations. Let's not forget that. Buyer and seller are not as suspicious of each other, thank goodness, as they were in the days when bargaining or haggling was expected, when each tried to outwit the other and thought he



Being frank and fair is only "horse sense."

was justified in doing so. But down through the ages there has descended to all of us a certain sense of caution against those who would separate us from our money and give us their wares in exchange. You know how it is when you become a customer and some one else has the job of making a sale to you. Other people are just as much on their guard against deception as you are.

Now this attitude can be overcome by simply earning the confidence of people through square, candid statement and being careful to preserve that confidence. Lost confidence is exceedingly difficult, if not impossible, to regain.

It was Lorin Deland who related that fine little story of two men who made a friendly wager about a horse. The old nag had been in very poor condition and the men had an argument as to whether a sale could be made of such a horse if the exact truth were told. The man who had argued for a truthful sale waited until the horse had been put in better condition.

Then, when a prospective purchaser who wanted a gentle old horse came around to look the animal over, the would-be salesman said: "Yes, he does seem to be in fair condition now and I believe he will give a lot of light service but I want you to know that he had the heaves pretty badly last fall and limped for a long time in that left hind leg."

He was as free and fair in his admissions of the weak points of the horse as he was in telling about his good qualities. And the interview wound up with an offer for the horse of ten dollars more than the figure named when the wager was made!

In spite of all that may be said about avoiding "negative salesmanship"—telling what a thing isn't or what it won't do—I know, from thousands of experiences in buying, that the



If that question about sincerity creeps into his mind, Mr. Salesman has a hard job ahead.

man who freely admits the truth and then skilfully makes the best use of the facts is more likely to be believed than the evasive or insincere fellow.

A single statement that sounds like deception to the customer is likely to make him discredit everything else that may have been said. If you have deceived him on a single point, or he thinks you have, he has no reason for believing that you have been honest in the other statements made.

It is human to be too emphatic, too insistent; to overstate. Mark Twain used to tell of a missionary whose story at the outset made a strong impression, and Mark resolved to put five dollars in the basket. The speaker went on until he weakened his argument and Mark said his mind dropped to a dollar-contribution. But the speaker kept on with his claims until finally Twain declares that he not only did not put a dollar in

the basket when it came around but actually took out a quarter. The missionary had overdrawn his picture.

A man who once applied for a job assured a prospective employer that in twenty years of experience he had never encountered a problem that he hadn't solved correctly. The employer remarked dryly that he was afraid of men who were always right. He just didn't believe the applicant.

Successful selling doesn't mean merely the sale of today. A bird in the hand may be worth two in the bush, but most selling would be a losing business if the customer didn't come back again and again—if our sales didn't repeat. The most effective of all advertising comes from one customer passing along to his or her acquaintances the confidence reposed in us individually and in our organizations.

DON'T CLIMB THE WALL WHEN THERE'S A GATE

There are various ways of getting inside a park enclosed by a high wall. You may be able to climb over the wall. With plenty of time, a pick-axe and a little dynamite you may be able to tear the wall down. On the other hand, if you look around a bit you may find that there is a gateway somewhere near.

Don't smile! The illustration may be childlike in its simplicity, but I have seen salesmen who are supposed to be competent take the hardest way of dealing with customers, when very likely there was a gateway somewhere. I have seen man after man advance some argument that obviously hit the customer the wrong way—did not fit his case at all—and yet the salesman persisted foolishly until the customer became exasperated. It may be possible to smooth down an exasperated customer, show him the error of his notions, and still make a sale. But it's taking chances.

Let me give a personal illustration: I buy advertising space regularly. It is my judgment that almost all special or feature numbers of magazines are less valuable to consistent advertisers than the regular numbers of such publications. There are some sound reasons for this view. I never fail, when a solicitor of advertising begins to talk about the wonderful value of some special feature number, to tell him that I am

glad to know about it so that I can dodge that number and put my advertising in a later or earlier regular issue of his publication—if I expect to use it at all. Some solicitors heed the tip. Others “climb the wall” and try to overcome me with arguments as to the value of the particular issue. The attempted sale turns into a battle of wits. We get too much interested in beating each other’s argument to give much thought to the real object of the salesman’s call.

Look for the gate. It may be that the chief reason that the woman is inspecting a washing machine is that it will enable her to keep her servants better satisfied. If so, you will miss the mark by arguing that the ownership of such a device will give her more time to play bridge or to go to the movies.

Every customer has his hobby, his weak spot, so to speak. Successful salesmen of specialties spend a great deal of time learning the characteristics of the men with whom they deal regularly.

Retail salesmen deal with so many customers and deal with them often so quickly that there isn’t as much opportunity to prepare for subsequent interviews as there is in the case of specialty salesmen.

Suppose, however, the Victrola saleswoman recalls that I am especially fond of violin records. How much more likely is she to interest me by bringing out the latest Heifetz record than she is by a reference to the “very latest” jazz piece!

Suppose the shoe salesman recalls that one of his customers is a golf enthusiast or a tennis player. A judicious amount of golf or tennis conversation is pleasing and may lead directly to the purchase of golf or tennis shoes.

I am not holding, as a writer did in a recent issue of a very prominent business magazine, that a calendar salesman, on learning that a business man had two small boys, did well to devote all of his preliminary conversation to the subject of small boys, finally bringing out a calendar containing the pictures of two small boys. As the story went, the business man was so entranced with this small-boy talk that he forgot about his conviction that calendars did not fit well into his business and placed a good-sized order. Such examples are

likely to mislead. References to extraneous subjects should be handled very skilfully. Once let the buyer think that you are talking about dancing, baseball, or canoeing just to lead him on and your case is lost. Or if you go too far with such talk, you will probably defeat your own purpose.

The customer is very likely, at an early point in the talk to give some hint of his need, his interest, or the point that particularly appeals to him. If he doesn't, the only thing that the salesman can do is to go on with his general canvass and with skilful questioning until the customer's responses lead the way more clearly.

If I were selling rubber hose and a customer dropped a remark about the way hose wore out, I would take that as my lead for showing the most durable hose I had. I would forget my bargain stuff and talk about the economy of hose that lasted for season after season.

It is true that sometimes a customer has an entirely wrong notion that ought to be corrected. A prospective buyer of furniture may, for example, argue that veneered furniture is undesirable. There are most excellent reasons for veneering and these may be given pleasantly and convincingly.

But excepting such instances, when the customer really should be set right, it is better to work with his mind—his needs and his convictions—than to work against the current.

The customer's favorable decision is sometimes made to come a little easier by such a procedure as: "You agree that lightness is a good feature, if the necessary strength is there, don't you Mr. Blank?" "And don't you think that the non-rust feature is a strong one?" By getting the customer's assent on various points, one at a time, he practically commits himself, or, at any rate, narrows himself down to the one point on which the salesman must remove the doubt.

BE A SALES STRATEGIST

A successful salesman related to me the other day the details of an interview he had with a conservative buyer. This buyer was really interested in the equipment the salesman represented but, like many buyers, he had schooled himself to appear only mildly interested. He expected the salesman

to be aggressive. He preferred to be on the defensive. Every salesman of experience knows this situation.

In this particular case the prospective buyer expected to require immediate delivery in case he bought, and he dropped a remark that indicated his need. As a matter of fact, the salesman was prepared to promise immediate delivery of his equipment, but the point to be drawn from his solicitation—and it is an important point of salesmanship—is that he did not fire all of his shots with one quick broadside. Dealing with the type of buyer before him, if he had told of everything he could do, in the first few minutes of conversation, had “put all the cards on the table,” as it were, the buyer would probably have found some reason for delay in giving the order. So Mr. Strategic Salesman said nothing for a while about the ability of his firm to make quick delivery but talked of the difficulty in the market generally of getting prompt deliveries. Finally, the buyer came right out with the statement that if he gave an order he would have to have prompt shipment. “How prompt?” asked the salesman, “Would you have to have the stock this month?” “I should say so,” was the answer. The salesman finally gave his assurance that the order would be filled not later than the following week, and the buyer placed his order more than willingly.

There is always some risk in relating an incident of this sort—a risk that salesmen will come to the conclusion that the successful end of the salesman’s work means that one is warranted in deceiving the customer. But deception is a dangerous tool. Good salesmanship does not require it. Strategy in selling means simply the most skilful management of your facts and arguments.

While it may seem unfortunate, it is true that human nature often does not respond favorably when you offer too much or offer a great deal at once. I am a buyer myself and I interview many salesmen, some very skilful representatives of their firms and some not so skilful. Somehow, when a man comes along and offers me every inducement, makes it appear all too easy to purchase what he has for sale, I begin to have doubts about the advisability of buying.

Maybe the reason I feel that way is that he puts himself or his proposal too much at my command. If he so manages things as to make me come half-way or makes me feel that I am receiving some unusual consideration, my interest and my desire to buy are increased.

Consider the familiar example of the young man paying attention to a young woman. In his effort to make a good impression, he uses the fundamental principles of salesmanship, and she does too. She may regard the young man ever so highly and be willing to say "Yes" to a proposal of marriage but let her allow the young man to feel that the victory is too



Good strategy means a study of both sides of the board.

easy, and, strange to say, his zeal and his estimate of the young woman usually begins to lower. Consequently, if she is wise, she uses a little strategy.

Consider, also, the case of the salesman who has a high-priced set of books to sell. "What is the price?" queries the customer. If the salesman blurts out too baldly that the cost is \$90, many prospects will conclude instantly that the price is more than they can pay. "Only ten dollars down, and the balance \$9 a month" will enable the prospective customer to see how he can own the set without making too great a sacrifice.

Some book salesmen find an even better way to ask, "Would it be convenient for you to pay \$25 down?" "Very well, the balance may be paid at the rate of \$9 a month." In that way larger first payments are secured. It is easier to drop to a lower first payment should that be necessary.

A salesman of a \$1,050 gaging outfit finds that if the eighty-one gaging-blocks are referred to as costing an average of \$10 each, and the various accessories, holders, etc., as costing \$240 additional, the shock of the seemingly high price is usually easily overcome.

The good salesman, like the good general or the good player of checkers, chess or cards, tries to figure out the thoughts and movements of the man before him and plays his game accordingly. That is strategy.

STRATEGY AND DIPLOMACY

Strategy and diplomacy are akin. One could hardly be diplomatic without being strategic or strategic without being somewhat diplomatic. I put strategy first because it strikes me that strategy deals with something to be planned and worked out, whereas diplomacy is a general quality to help us over the trying place.

A great deal of so-called salesmanship, is entirely lacking in strategy. A customer comes, or we run into him, he tells us what he wants, we give him ordinarily decent attention, he buys and goes his way. A sale was made but no salesmanship was exercised. Such a customer could have bought just as well in a Piggly-Wiggly store where goods are merely shown on shelves and a man at the door takes the price as you pass out.

Try selling life insurance, books, or a novelty, and you will see a difference. Practically no one wants, or thinks he wants, what you are selling. Your typical prospective buyer is suspicious of your errand and prepared to defend himself against your onset—is concerned chiefly at the beginning of your canvass about getting away from you or getting you away. Then you need strategy.

A man entered our office not long ago and found three people prepared to twit him and send him on his way. We

didn't know that we wanted or needed what he had for sale. But he was a strategist. He had drilled himself, like a good book salesman, to go directly to his best opening. "What happens when you drop your keys somewhere?" he asked me. He had me. I hadn't thought much about it before but I realized immediately that carrying a bunch of valuable keys without something on the ring to identify the owner involves a risk. And before I could get very far with my thoughts, he was smilingly showing me a neat metal check that could be stamped with my name and address and slipped on my key-ring. His explanations were well made, the price was reasonable, and he collected only when he delivered the finished check. I bought and was glad to buy. He sold to everybody in sight. Where the person didn't carry keys, he showed a form of tag for traveling bag or trunk.

The usual form of opening—"May I take just a minute of your time to show you my assortment of attractive novelties," wouldn't have won for this salesman. That would have been commonplace and repelling.

Where a salesman concentrates on a few prospective purchasers, he ought to have something ready to show, something ready to say, that will pin down the prospective customer's interest.

"Never let a customer say no" is a rule of salesmanship that is sometimes ridiculed. Perhaps it is too much to expect that we can always keep the customer from saying "No," but the rule has good psychology behind it. The person who comes abruptly to a decision not to buy and goes so far as to give expression to that decision will, out of mere pride, try to stick to his "No."

Therefore, the diplomatic salesman will skilfully try to steer his buyer away from an outright adverse decision. When he sees him wavering or non-responsive to one appeal, he will swiftly take another tack and try to divert him from coming to an adverse conclusion. Let's say that a salesman is working the style appeal. I am the prospective customer. Very likely he has had no way of telling how responsive I may be to the style appeal, though his study of me or my opening remarks afford some clue. If the article is an automobile, he may find very quickly that style is a minor feature—that I am

much more concerned about engine-power. To keep hammering away on style, would likely lead me to believe that the chief asset of the automobile was its looks.

The discerning, diplomatic salesman is certain to sense, before he is far in his canvass, just what is appealing to his buyer and what is missing contact. When he feels that his explanation is scoring, then his part is to emphasize and enlarge on that argument or point. He must study his "audience"



With something to show, attention is usually assured.

as the orator or entertainer studies his, or as the lawyer watches his jury. He should not combat or irritate, if he can possibly help himself. His part is tolerance, agreeableness, and finally watchfulness to put in telling strokes when the buyer has gotten rid of his pet objections or his unreasonable views.

Strategy and diplomacy, like other desirable qualities, can be acquired by keeping them in view and reaching out for them. We unconsciously develop in ourselves those things that we admire.

CLINCHING THE SALE

Review once more the usual procedure in bringing about a sale:

Get attention.

Develop interest.

Demonstrate.

Clear up details and doubts.

Induce action.

When we want to be sure that a board will stay nailed down, we drive the nails through and clinch them. I like this word "clinch" better than "close" when we are talking about making a sale sure. "Clinch" means doing something definite to commit the buyer, to make him act, to keep him sold.

I'll give you an example out of my own recent experiences. I wanted a new golf club of a certain type, and I happened to be talking with a golf instructor who keeps a small stock of clubs. I hadn't planned to buy a club from him, not believing that he could offer the assortment and prices of the large sporting-goods stores. But he was very courteous and helpful in his advice. He took, from another man's outfit, a club of the kind I had in mind and demonstrated it. Then he had me try the club. Mark the value of demonstration, please, and the fact that he induced me to do my own demonstrating finally.

I liked the club very well. "Have you any of these on hand?" I asked.

No, he hadn't but he had a dozen on order and expected them probably the following week. He would like to furnish me one. Right here I did what thousands of prospective customers do. I thanked him and said I would try to drop in later when the clubs came, at the same time thinking, away back in my mind, that I would visit a sporting-goods store and see what could be had there. Nine out of ten salesmen would have dropped the subject at that point, thinking there would be nothing else to do—for the stock the customer wanted wasn't in hand. But this golf instructor was the tenth salesman, if you please. He said very persuasively: "I'll be glad to put one of those clubs aside for you, Mr. Hall." And he

clinched the sale, notwithstanding that I preferred to have the club at once. He exercised his resourcefulness—*made it easier for me to buy than not to buy.*

Now, I would be a wonderful business expert if I could, in a page or two, tell salesmen selling hundreds of different kinds of goods just exactly what suggestions they could throw out, at the end of the talk with buyers that would induce action, that would clinch the transaction. But in every business there are these suggestions that will turn many near-sales into actual sales if this extremely important matter is made a subject of study.

There are, of course, instances where the policy of the management is that buyers must not be pressed but must be left free to make up their minds. The keen salesman must be able to draw the line between respecting this policy and at the same time saving to his credit and to his firm every sale that can be saved.

Buyers are not necessarily liars when they explain that they will think the matter over, will let the salesman have a decision later, and so on. But the truth is that while frequently a sale will be made to the buyer who postpones action, there are many things that can happen to prevent such a prospective purchaser from taking the matter up with you again. It may save him some trouble to make a purchase from some other salesman or to drop in and look at a competitive article. If that article suits him as well as yours would, he may buy at once rather than bother with another interview. Only rarely will he feel it is proper that you should have another chance. He just does the thing the easiest way. You may earn the glory of having done the missionary work that created the sale while another fellow gets the order. Hence, the need for thorough work and quick follow-up. A sale on the record is worth several "may-come-backs." If the golf instructor had let me get to the sporting-goods store, his chance of selling me the club he had demonstrated would have been about one in a thousand.

Usually, the buyer who defers action simply isn't convinced that the purchase you are suggesting is the wise thing. Some question in his mind hasn't been satisfactorily answered.

There has been too much talk about the science of "closing sales." A sale should be proceeding toward a close from the very first word. A salesman cannot neglect study of the goods, study of the customer, demonstrate poorly and then expect to make up for his weak preliminary work by smart "closing tricks." Proper showing of goods and good demonstrating are, for example, powerful aids in leading the buyer's mind to the conclusion that the article is a good thing to buy. Most sales should be led by these methods so naturally to a close that the mere action of the purchaser in buying is a formality. But just because buyers are prone to defer and to oppose suggestions, the alert salesman will study, as the golf instructor did, to throw out good closing suggestions.

In some cases the best final suggestion may be just a question that will gently make the buyer commit himself: "Which do you like the better?" Maybe it is a judicious general commendation of the article: "We have sold scores of these and never had one returned." Maybe you can say that the present price is more attractive than it could be on such stock bought again, and so on.

Not all of these additional descriptions of closing methods apply to every salesman's work but they afford food for thought. The keen salesman is ever ready to take a lesson from the work of other salesmen.

Study the most effective plan of demonstrating and explaining the merchandise that you are selling but don't stick to a cut-and-dried procedure. Not long ago I watched a salesman explain an office device. The prospective buyer asked a question about a point that seemed to be of unusual interest to him. The salesman dismissed the question hurriedly with "I'll come to that presently," as if he didn't care to have his talk interrupted. I believe he erred there. It would have been finer courtesy to answer the question; besides, the buyer's interest was concentrated on an important point just then and what the salesman might have said in reply would probably have been impressive.

Getting consent to send or leave goods on trial is often an effective closer. When goods are in a prospective purchaser's office or home, he or she will usually become attached to them.

The danger in this procedure, particularly in the case of retail stores, is that salesmen will often not do their best to sell the article but rely on its selling itself. Too much reliance on the article's selling itself may simply mean increasing the goods-on-approval practice, a privilege that has already been greatly abused. When consent to send the article on approval has been obtained, explain fully and clearly all the good points, method of operation, and so on.

Don't leave approval goods too long before getting a decision.

In discussing an approval transaction, show by your manner and talk that, while the buyer is entirely free of obligation, you are confident that when the merits of the product have been thoroughly considered, the sale is just as good as clinched.

Don't oversell. That is, don't bore the buyer with rapid-fire talk. All of us can recall cases where a sale was literally talked to death. It is easily possible for a salesman, after the buyer has decided to purchase a certain article, to keep on talking and showing other goods and distracting the buyer's mind, until he becomes uncertain whether, after all, the article is the proper one to buy. Leave well enough alone. After a decision has been made, regard the sale as a sale and do not attempt further description or demonstration unless it is clearly indicated that this is desired. An old story illustrates this. A piano salesman had closed an order for a piano, taking in exchange an organ that a rural family had owned for many years. After the sale was made, the salesman sat down at the organ and played a few of the old melodies. It reminded the owners of the ancient instrument of the music a dead daughter had played on it and they decided they couldn't let the organ go out of their possession.

Keep clear of such terms as "contract," "lease," "agreement," and the like. Some may not object to them but to others this language has a legal sound, and many people object to signing anything that looks like a formal, binding contract. Call your blank a "memorandum of sale," "this slip," "this form," or something of that sort. Don't indicate that you don't want the buyer to read your order form but deal with

it casually as if it were merely a formal confirmation of the sale just closed, which is all that it is.

Watch keenly for the most favorable moment for closing. There comes a time in the handling of the buyer when he is disposed to close. If this moment is allowed to pass, he may get some other notion—a disposition to wait, to look at some other article, to consult a partner or a friend. If at just the right moment the salesman says, "You want this one, do you?" "You prefer this style?" "Shall I send you a carload of these?" the gentle suggestion will likely be just the thing to clinch the decision in the buyer's mind.

Try to prevent, if possible, any early statement by the prospective purchaser to the effect that he will not buy. Having once said this, the buyer will feel that he ought to stand by his decision. If he merely has this thought in mind but is diverted by effective demonstration or description of some good selling point, the disinclination to buy may be changed to a favorable attitude.

Says a writer in *Salesology* who has built up a good record selling stocks, bonds and real estate:

I always aim to get a man to commit himself somewhere between the opening of a sales talk and the close. One way to do this is to ask a man if, in the event he buys, he prefers to pay cash or take advantage of the partial payment plan. Once you get a man to settle in his mind the question of how he wants to pay, you have removed one of the real difficulties of closing.

Laying an order blank and a pen before the buyer with the remark, "You know how much you can handle," proves to be very successful with a salesman for a certain cleanser, after he has completed an effective demonstration of his product.

Reasons for buying that are merely for the salesman's benefit are not usually effective as closing arguments. A business woman tells how she decided against buying a suit because the saleswoman at the last remarked that she hoped the customer would buy "this lovely suit. This rainy day has kept customers away and I haven't made a sale this morning." Such a remark made the customer distrustful of the sincerity

of the saleswoman's observations and recommendations. The inference was strong that the thing uppermost in her mind was to make a sale before the morning ended.

On the other hand, there are many instances where salesmen with old customers have made a point of the fact that they are striving to make a certain record for the month and would appreciate it if the buyer would give his order right then so that it could be included. A tactful salesman once made the remark, when the buyer wanted to close the matter at a later date:

Of course, Mr. Blank, I'll gladly come to S——town again and fix this order up, but I am sure you understand everything fully. You can't go wrong on this purchase. So why can't we just fix the matter up now? It will save me the time and expense of another trip, and I'll surely appreciate that.

It worked.

What other owners of the article say about its merit is often helpful, though where the customer is buying because of the exclusiveness of an article, the citing of what a number of purchasers have said may be an obstacle to the sale. Good salesmanship is, after all, largely a matter of good judgment in adapting one's canvass to the type of customer being served.

Make it as easy to buy as possible. At that critical moment, tell about delivery, your care to have the article in fine condition, giving the order personal attention, and so on. Sometimes in retail selling, when a customer's decision is hanging fire, a final demonstration to show once more how well the suit or the hat looks is the clincher that clears away the doubt and creates a sale that stays sold. This repetition idea can be used successfully in other kinds of selling. A leading feature often merits emphasis. The thinking that the prospective purchaser has done about this since the feature was first put before him is an aid to the second showing or explanation.

"YOUR PRICE IS TOO HIGH"

There were some unfortunate phases to the extraordinary selling situation that prevailed some years ago, but there is at least one valuable lesson to be taken from this abnormal period,

and that is that people are disposed to buy high-priced goods when they have the money.

For many years a stock excuse for lost sales has been that the customer wanted a lower price—that a despised competitor cut under our figures. Indeed, it seems that the conception of salesmanship held by many salesmen is that of having a lower-priced article than the other fellow.

Now, the plain truth is that, though purchases are very often made on a price basis, low price was never quite the tremendous general factor in selling that it is supposed to be. Naturally, it plays a larger part in some kinds of selling than in others.

In the first place, low price is likely in many instances to suggest lower quality. You may offer a low-priced article and prove to your buyer that its quality is as good, or almost as good, as that of an article higher in price, but you are likely to be required to offer that proof. The mention of a low price starts that question in the purchaser's mind, unexpressed maybe, "What makes it cheap?"

High price, on the other hand, *suggests* high quality, though it does not *prove* superior quality.

Many people are complimented by suggestions that they can buy high-priced suits, shoes, hats, furniture, rugs, office equipment, automobiles, and the like. Therefore, it is better salesmanship, as a rule, to show goods that are higher in price than the customer wishes to pay and later, if need be, to show lower-priced goods, than it is to start with the lower-priced merchandise and work up.

It is more satisfying to make and to sell goods of unusual character that bring a satisfactory price. It is a higher order of salesmanship.

A great many articles are bought to last for years, maybe for a life time. Too little thought is given to this. We should say more often than we do: "An article like this, ma'am, is something that one ought to buy but once. This piece will last a lifetime and longer. It will be something that you can hand down."

Salesmen, as a general thing, pay entirely too little attention to capitalizing the prestige of the manufacturer. A hardware

merchant can very easily sell cheaper saws than Simonds' or Disston's, but these two words on a saw can be made to mean a great deal. Suppose the salesman says "Oh, yes, you can get a saw cheaper than this. We have sold them. But this is a *Disston*," and goes on to tell what the Disston people went through to get a steel that would be satisfactory for their saws.

As a rule, the man who tells you that your price is too high is talking in mere general terms—has no intimate knowledge of the facts and figures that apply in your particular business. Very likely he has a general habit of arguing in this fashion with every one who comes along. Don't get excited. Be prepared with the essential information and give it to him confidently. Maybe you can do as a manufacturer of cotton and woolen fabrics did—prepare some chart that will show how your prices compare with the prices of specified commodities as published by the Bureau of Labor Statistics in its "Monthly Labor Review."

Your firm is undoubtedly trying to adjust its prices at all times to be in harmony with labor and raw-material costs and the costs of competitive products. The manufacturer just referred to used charts that showed clearly that for a full year his prices were below those of other commodities and could have been increased without being out of harmony with the general trend. His charts also showed that because manufactured products were made of materials purchased six months or a year previous to the time the finished goods were offered for sale they could not, without serious loss, be offered at a substantial reduction, to keep pace with a sudden descent in cost of raw materials. Every reasonable man understands such conditions if they are made clear to him with accurate figures.

A high-class printer, who took pride in turning out good work, asked \$4,500 for the printing of a lot of booklets. He received the familiar argument that his price was high, that the job could be printed for a saving of as much as \$300.

Mr. Blank, I think you can beat even that figure, he replied quietly. I can give you right now the names of two firms that will quote you under \$4,000, I am sure, especially if you tell them that you already

have a price of around \$4,200 and that they will have to beat it. Fact is, I guess we could print the job for \$4,200, or maybe as low as \$4,000, if you are willing to have us skimp it and take a chance on some parts of the work.

He actually went into details and showed how \$100 might be saved here and \$50 there. And then, like a good salesman, finished with the argument that his firm preferred to buy a paper that they used regularly, and on which they could absolutely rely, and to use their very best press. He got the job.

Sometimes a little jolly about the high price of an article smoothes the way. Said a salesman who occasionally uses these tactics:

You need what I want to suggest to you this morning, but it is going to cost you a lot of money—almost a thousand dollars, maybe.

The prospective customer blinked, then replied, with a little effort at dignity:

Well, I like that. Don't I look like a man who has a thousand dollars to spend if he really needs something and can see that it is going to be worth a thousand to him?

Said another salesman:

If the price I am going to mention gives you a knockout, I can tell you how you can get off with about half the cost—by getting a bargain in a used outfit and letting us fix you up with some new parts and supplies. You know how it is with automobiles, typewriters and all other fine machinery, and it is the same with our apparatus.

Adroitly he was leading the prospective customer up to the point of seeing that, though the cost seemed large at its first mention, after all, the most satisfactory results were reaped by buying a real up-to-date outfit and getting free inspection and repair service the first year.

An aluminum-ware concern, forced to meet the competition of cheaper goods, adopted successfully the plan of putting a 20-year guarantee on its product. It then coached salesmen to quote the price as so much per year. The ware was advertised in this way. This is a familiar principle—illustrated in the selling of books at "only 10 cents a day." Even a good-sized amount looks reasonable when divided by the number of

years that the article is guaranteed to give service or by the number of months over which payment may be spread.

Most of the suggestions that have been made about effective ways of meeting the high-price argument apply particularly to consumer sales. The retail dealer is also a frequent user of the high-price argument, especially when the cost of goods is increased by the manufacturer or wholesaler. The following extracts from a letter by A. Joseph Newman, Sales Manager, P. Lorillard and Company, New York, published originally in *Printers' Ink*, present well the manufacturer's side of the case. Mr. Newman's letter was written to a salesman who complained about the difficulty he was meeting in overcoming objections to an increased price.

When you wrote your letter of the 8th you evidently bore in mind our rigid rule that real naked frankness must exist at times between the salesmen and this office. You acknowledge receipt of our new quotations and then start right in lambasting us because our "prices are too high." As a "P. S." you add that you will write more after you have seen some of the trade.

With the holidays intervening, I am hopeful that this letter will reach you before you call on a single customer. If it does, I will be truly thankful, because how in the name of ordinary common sense can you sell a man at our new prices when from your expressions you, yourself, do not expect him to buy?

I am not worrying about what the trade will say. If I get you hooked up right on this price subject, I wish I were as sure of a million as I am that you'll put it over. You're the boy I want to convert. In your present state of mind, the biggest hick on the route would have had you up a tree. Get this, old man—you never need apologize for our prices, but you may need to do a little explaining, and when you get a few more facts in your possession, you'll be able to pass the knowledge on to your copartner, the dealer.

Now, let's get down to brass tacks. Our prices have advanced one-half cent on the unit sale of our product with the request that dealers advance the unit price one cent to consumers.

Competitive manufacturers are still, as you say, maintaining old prices. As a result of this condition, it is up to me to nullify the effect upon you, the dealer and the consumer.

I am going to try to straighten you out first. Irrespective of Webster's definition of the word "price," it means to me the real intrinsic worth of our product as based on the actual cost of manufacture, plus our legitimate profit. When we are hit with increased costs of production, we have a choice of two actions—reduce the cost of manufacture by a

reduction in the quality of our merchandise, or suffer the loss of the usual percentage of profit. We will not do the former, and the manufacturer who accepts the latter alternative, admits in the same breath his lack of confidence in the merits of his article, and his belief that its intrinsic value is not worth the new price which necessity would compel him to ask.

The second course of procedure, also, brings to light the absolute fact that the old price positively must have provided an excess manufacturer's profit to the detriment of the dealer. Inasmuch as the increased costs of production were forced upon all manufacturers in our line at about the same time, you know just where we stand by making our advance and you can form your own opinion of the manufacturer who does not do likewise. On our own product, you can holler from the house-tops that we are maintaining quality at all hazards—doesn't your backbone stiffen a little at this unalterable decision?

* * * * *

Unconsciously my remarks relative to the effect on the dealer have dovetailed with my opinion of the effect on the purchaser, which really goes to prove the close connection between the two factors. The dealer must be led to place himself in the position of the consumer, and when you talk to the dealer you should really feel that you are face to face with the real friend of our product, the ultimate user of it. Am I wrong in thinking that with the price of practically every commodity advanced, Mr. Consumer will look with suspicion upon the product that still retains its old selling price? Don't you think his line of reasoning will justify our advance? Will he sacrifice his former estimation of the superior quality of our goods because of an added penny to the cost? We think not.

You seem to believe that the ease by which our competitors can retain the original outward appearance of their product will tempt them to cheapen it in other ways to hold a lower price—let's fervently hope that they possess the weakness to succumb to this temptation. As for us, we'll continue to give the consumer what he is entitled to get—honest, undisguised merchandise, at the rate of 100 cents on the dollar. Without a minute's hesitation, we prefer to lose a few consumers temporarily because of the erroneous opinion that we are too high, rather than to lose even a single user permanently because of positive knowledge that we are trying to pull something over on him. That's us, today and forever.

Mr. Newman's letter to his salesman was written at a time when there was a general advance in cost of raw products and consequently a general advance in wholesale and retail prices. He has made very effective use of this situation. After all, no matter what the trend may be, the principle holds good that a sales manager does well to take his men into his confidence and give them the facts. When facts are told

frankly and enthusiastically, both the retail trade and the consumer will be found reasonable. Many salesmen merely allow themselves to become afraid of a change in price and give their customers and prospective customers an apologetic and half-hearted explanation that, naturally, is not impressive.

There is more to a purchase than the mere use of the article. That something else is what has been aptly called "pride of possession." The pleasure of having a watch like the Hamilton, a Blue Grass reel, or a Hoosier Kitchen cabinet is not to be compared with a price-difference of a few dollars.

The trouble with most of us selling goods is that we do not know enough about them to really know what makes quality, or if we do know, we often don't take the trouble to make things clear to the customer.

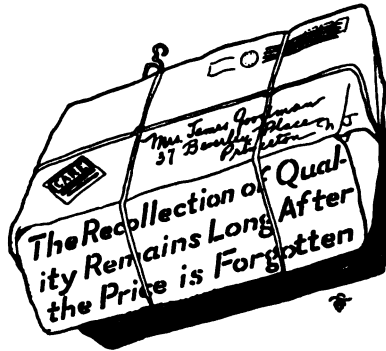
Don't be afraid of the effect of a good price. I know a salesman who used to say "This is a \$7 model" so apologetically that he seemed almost to say "Of course you don't want to pay such an outrageous price." On having his attention called to the fault, he practiced for days saying "This is a \$7 model" in a different tone—a tone that carried the impression of unusual quality for the goods and the message to the customer that "this would be a most satisfying purchase"—and then he found that he could sell \$7 models as easily as \$3 ones.

A piano salesman cites an instance in his experience when a customer professed a great desire to buy the instrument that he had demonstrated and recommended but made much of the fact that another instrument which would probably meet all requirements could be bought at a price \$200 lower. It was obvious to the salesman that his prospective customer valued the prestige of the higher-priced instrument. So he began a little tactful questioning. "Let's see, Mrs. Blank," he argued, "your daughter is being instructed by Mr. So-and-So, isn't she?" naming the best known instructor of the city.

On being assured that this was the case, he skilfully built up the conclusion that while some other teacher could probably give satisfactory instruction, there was, as she knew, a great deal of satisfaction and pride in having the very best, whether in instruction or instrument. It was another instance of the

“pride of possession.” We may not always be able to prove point by point the dollars and cents superiority of the better article but the preference and appreciation exist just the same.

Sometimes it happens that a customer has a fixed amount available with which to buy an article. The situation is usually the other way. “I want something around \$10” means that he or she has some margin beyond that figure and will pay



more if convinced that the goods shown would be a more satisfactory purchase. The customer's idea of the price-range should, of course, be stated voluntarily and not in response to such a crude question as “How much did you want to pay?” Just show goods—your very best stock—and mention the prices casually and confidently, not as if you were ashamed of them or on the defensive.

Bargains will probably always be with us, and low price will undoubtedly have its strong attraction on certain articles and with certain groups of buyers, but quality, high quality—service that gives a low cost per year and more satisfaction every year of its life—has great sales power when rightly understood and used.

Every one who earns his living through the selling of goods would do well to ponder often and long over the motto that Simmons, of the hardware business, has made famous—the motto that appears on the illustration above.

"YES" OR "NO"

Some teachers and writers surround salesmanship with a great deal of mystery or elaborate it into an intricate science, I have tried to show in this series of chatty preachments that the practice of good salesmanship, while a fine art and one in which exceedingly few people excel, is a simple business—so simple that some become fine salesmen without being conscious of having studied their work. Their liking for the occupation, and their zeal, have just led them to discover all of the fundamentals.

The reason that more men and women do not become skilful in selling is that they have not put their hearts into their jobs, have not concentrated on their work and learned what there is in it. Mental sloth has made them miss all but the selling that comes easily.

I sit down at a piano and pick out a simple tune, note by note. A skilled musician sits down at the same piano and wonderful music pours forth. The keys that produce this soul-satisfying music were there when I sat at the instrument. I have just as many fingers as the skilled musician. But I haven't tried to make a fine performance of piano-playing. Therefore, I don't deserve to be a musician.

So, at the end of the series, I feel I can do nothing better than summarize and repeat some of the most important fundamentals of selling as they manifest themselves in every-day work. These are expressed in the form of a quiz which you can put to yourself and answer by a plain "Yes" or "No."

Is my approach—my first attention to the customer—what it should be?

You know from your own buying experiences how much of the salesman's success depends on getting a good start—how it chills one's enthusiasm to be neglected or treated with apparent stupidity.

Am I quick to discern the customer's needs or tastes, so as to get at once on a plane with him or her?

It is annoying to a customer to be served by a salesman who doesn't seem to grasp what is wanted.

Do I listen attentively to what the customer says, so that I can serve more intelligently?

If you do not pay attention and the customer has to repeat, you may find that this acts as an irritant. Customers are inclined to be independent, you know, and expect the fine little courtesies when they are spending their money with you.

Have I worked out a plan of selling my goods?

The people who sell from house to house show us how much it means to have some method of carrying a canvass along skilfully.

While having a plan, do I cultivate and practice resourcefulness, so that I can adapt my method to the conditions that each customer creates?

A cut-and-dried method won't do for every case. There are many types of customers. To serve all skilfully means developing your versatility.

Do I understand my goods so well that I can tell an inquirer anything he may wish to know about them?

The buyer expects this knowledge and wonders what you are on the job for if you don't possess it.

Am I making the most effective use of the art of demonstrating?

You can show people many things that you can't make plain with mere words. Besides, showing goods interests folks.

Do I study people continually—try to learn their habits and remember their names?

Talk with any successful salesman and you will find that he has done this.

Am I skilful in leading the customer's mind, even to the point of correcting erroneous impressions, without getting into sales-killing controversy?

Anybody can antagonize the customer. Few argue smoothly and convincingly.

Have I learned how to seize the appeal that seems to be most effective with the customer and to concentrate on that, so as to arouse desire and bring about conviction?

There is usually one appeal that means more to the customer than any other. Look for it.

Do I conceal my eagerness, my selfish interest in making a sale, and yet quietly use all the methods that clinch decision and bring about action?

The best selling induces the customer to act without having him feel forced.

Have I real enthusiasm about my goods and this business of selling so that I seem to the customer to get pleasure out of serving him?

Customers stick to such salesmen.

Am I constantly selling customers as much as I should—quantity orders and related goods—while I enjoy the very great advantage of having an audience and an opportunity to tell an interested customer about all I have that would serve him?

No good salesman is satisfied with always just delivering to people what they already have, of their own accord, determined to buy.

Am I analyzing my failures and blunders so as to make Experience my best teacher?

Have I grasped the idea that good salesmanship is a constructive force and that giving high-class service to the customer is not only an ideal that brings the salesman the most satisfaction but the one that brings the most enduring commercial success?

Do I realize that perhaps, with all I have so far accomplished, I am probably 30, 40 or 50 per cent short of what I could really do—that the fullest, richest part of my business life is yet to come—if I will it?

SECTION XXVI

WOMEN IN SALES WORK

Women have taken up selling work, as they have many other kinds of business effort, to such an extent that their employment is now a subject of interest, not only to retail merchants but to sales managers identified with organizations requiring traveling representatives.

Woman's place has, of course, long been established firmly in dry-goods stores, department stores, and various specialty retail stores or shops. But in certain retail fields her employment is as yet an experiment, as some of the reviews in the following pages indicate.

Viewpoint in Drug Stores and Haberdasheries.—Notwithstanding the ability of women in a great many lines of retail selling, haberdashers have found that men generally do not like to be served by women when making such purchases as shirts and cravats. While it may be true that these articles are bought with due respect for women's opinions, it seems that most men prefer to make their selections with the assistance of a man.

The drug store is another place where men often prefer to be served by men. On the other hand, there are women who will go out of their way to patronize a drug store where they can be served by women. To appeal to the greatest number of men and women, then, it is desirable for the drug store to have both salesmen and saleswomen and that is just what a great many are doing—dividing up the work in the way that gives both men and women the opportunity to sell what they can sell best.

It is likely that the drug stores might have kept more of the toilet-goods business to themselves instead of letting so much of it go to the department stores if they had employed women earlier.

Automobile Service Stations.—During the war-time scarcity of men, women entered many fields hitherto foreign to them. They have remained in some of these fields. From others they have withdrawn.

The Sinclair Refining Company, Chicago, Ill., gives the following information about their experience with women attendants at their service stations:

The employment of women by this company as service-station attendants was purely a war-time measure, the scarcity of men making the move necessary. Few of us ever held the opinion that women were better adapted than men to this class of service, and our subsequent experience has confirmed that opinion. We have for some time employed men attendants exclusively.

The motorist is more and more demanding service from gasoline distributors. By that I mean he expects to be waited upon with fire-department speed although, perhaps, going nowhere in particular. Further, such things as free air, free water put in the radiator of the car, the occasional cranking of a stalled car for a customer—particularly a lady—and many other similar services are incidental to an attendant's duties; and for such a woman is very obviously not fitted. We find that many men who order oil and remain at the wheel while a man attendant puts it in his car are actuated by a sense of chivalry in the case of a woman attendant and feel called upon to get out of their cars, raise the hood and perhaps put in the oil themselves. They do this probably the first time but the second time when they want oil they go where there is a man attendant who will do it for them.

The draining of crankcases and the putting in of new oil has more recently become a function of the service stations rather than the garage, many service stations, including our own, having installed underground pits to facilitate this service. A woman attendant in this case would be entirely unsuited to the work.

That women are invading the sales field more and more cannot be denied, but where manual labor forms such an essential part of salesmanship, as it does in the case of a service-station attendant, they have no part in the program.

Expression from the Selfridge Store, of London.—An article in a recent issue of the *Retail Ledger* gives some of the answers the great Selfridge store of London has received to the question "Do Men or Women Make the Best Salespeople?" Letters from employes and executives of both sexes were published in the store's house organ entitled *The Key to The House*.

Miss Gladys A. Burlton, the firm's educational director, gave the opinion:

So far as one can compare creatures so different as men and women, I think it is fair to say that neither sex is conspicuously superior in intelligence. Where men seem to me to have the pull in their greater ability for attention. They find it easier to concentrate, or at any rate, whether they find it easier or not, they are more successful in concentrating.

A reason for this, Miss Burlton thinks, is:

The average woman marries, or intends to marry, before she is thirty, and does not take up business with the idea of making it a lifelong career. The nearer she gets to marriage the more her thoughts are apt to be drawn away from her business. With the man the reverse is the case. His existence depends upon his success, and the thought of marriage, instead of being a distracting influence, is the keenest possible spur to effort.

The following argument comes from a male executive of the Selfridge organization:

I have no hesitation in saying outright that I consider woman to have superior natural qualities for salesmanship. To begin with, she is a born persuader. Man begins hurriedly to try and sell a thing, meets opposition, gets tired, and gives up trying. The patience of woman, the desire to achieve her purpose, the perfectly natural determination to get what she wants, is stronger. Let her be herself and talk about, describe and eulogize her goods, and she is by 100 per cent a more natural seller than any man.

Printers' Ink Review.—"Can Saleswomen Take the Place of Conscripted Salesmen?" is the title of an article in *Printers' Ink* by John Allen Murphy dealing with the experiences of 1917. The experiences and opinions of manufacturers in regard to women sales representatives are no less interesting and instructive, though a number of years have passed. This review credits women with being more successful in selling the groups of merchandise with feminine appeal, such as corsets, toilet goods, women's clothing, household supplies, and, in one case, sanitary drinking cups. This seems natural for women have more enthusiasm for articles that they use them-

selves and they can appreciate the needs of the woman customer better than the average man.

W. W. Kincaid, president of the Spirella Company—a concern employing thousands of women, commented as follows:

We find that women are capable of being trained in the work of salesmanship and that they take to such training quite as readily as do men. We find that they are quite as ambitious and quite as trustworthy in carrying out instructions and in rendering faithful, energetic service.

The president of the Northam Warren Company agrees generally with Mr. Kincaid and adds the following sidelight on the woman's place in salesmanship.

In the toilet-goods trade women representatives are fairly numerous, so that they are no novelty in a buyer's office. Many buyers consider them entitled to greater courtesy than male representatives, and this gives them an obvious advantage. Then, too, many buyers enjoy the variety which women representatives bring into their daily routine and are inclined to favor them.

By substituting the words "housewives" and "young men" for "buyers" and "women" respectively in the last sentence of the foregoing paragraph, a reason may be found for the fact that the Aluminum Cooking Utensil Company finds salesmen more successful than saleswomen for its products. This company has employed a number of successful women representatives but these were exceptions and the company prefers men.

Mr. Warren, of the Northam Warren Company, has both bouquets and brickbats for the woman representative. He says:

Generally speaking, in our experience we have found that the better saleswomen possess originality, enthusiasm and energy often lacking in a man. They are often willing to work long hours in bad weather without complaining, and frequently their traveling expenses are lower than those of a man doing the same grade of work.

Women travelers, of course, do not monopolize all the virtues, and it is only fair to mention some of their failings. They are apt to be somewhat temperamental, and the very enthusiasm they put into their work makes them subject to corresponding fits of

depression, when they are difficult to handle by correspondence. They are inclined to let their likes and dislikes of buyers affect their work. Slights and rebuffs that a man would ignore often unfit them for business. They lack the impersonal and philosophical attitude that an experienced salesman usually acquires, and they frequently take ordinary reproof or criticism as a deadly personal insult.

A buyer whose views are quoted by Mr. Murphy in the *Printers' Ink* article added an interesting thought in favor of the saleswoman. This buyer said:

Women point out to me the features to emphasize in a product. They show me what it is that will induce most women to buy the article, and often this is some insignificant point that a man would not think important.

Do Men or Women Talk the More?—Women have been ridiculed for ages because of the belief that they waste too much time in conversational effort. D. L. Short, president of the West Electric Hair Curler Company, shakes one's faith in the ancient tradition for, in the article previously mentioned, he makes this observation:

We have employed a number of women in our sales department, and in going over our records we cannot speak too highly of the female sex as sales representatives. We have also had a great number of men on the road at a much higher rate of salary than the women, and we have found that men waste a lot of time talking "hot air" especially after they become known and have created acquaintances among the trade. Whereas, a settled business woman calling on buyers will not become familiar, and in this way makes a greater number of calls a day, securing more business.

Classes of Women Who Succeed.—Mr. Murphy concluded his *Printers' Ink* article with a few suggestions as to recruiting saleswomen. He observes that many of the most successful women in traveling positions were widows who had to earn their own living and possibly had children to support. Frequently they were women of education and refinement, and when women of this sort make up their minds to adopt business as a career, they are headed for success—will give the best they have. Women whose husbands were merchants or women

who have run small stores of their own usually make good saleswomen. Women who have had a good retail selling experience often make good traveling representatives, for they have had experience in selling and if they are required to exploit a familiar product they know how to discuss it earnestly.

A Woman Who Became a Star Chemical Saleswoman.—The Standard Chemical Manufacturing Company sells heavy chemicals, crude drugs, and proprietary preparations for live stock, mainly to retail druggists, though some selling is directed to jobbing druggists and to small manufacturers. Now and then, there is contact with the consumer through the retail dealer. Three women were employed by this concern during the war period. One is still with the company. She is a frail middle-aged woman who had no previous business experience, but was confronted with need for earning her living. So thoroughly has she inspired the selling staff that the force of her example has produced "The McKenzie Spirit"—her name being Mrs. S. R. McKenzie.

In a "slump" period, when almost every one was wearing a long face over lack of orders, this woman worked ten hours every day, wrought good feeling everywhere and brought in the greatest number of orders ever obtained for the firm. Mrs. McKenzie's record, reported at an annual meeting of the salesmen, was so enviable "that they unanimously passed a resolution to follow in her footsteps." The men were greatly impressed by her knack of imparting enthusiasm and optimism and putting away thoughts of hard times and cancelled orders. They adopted also a New Year's resolution, pledging themselves to 250 hours of serious work during the month of January and agreed to meet at the end of the month to check up results and then determine the advisability of making the policy permanent for the year. So thoroughly successful was this voluntary harder work that it was decided to continue working so many hours a month, and then and there was suggested by a salesman the formation of a "McKenzie 250-Hour Club" with the "high" man as president for the month and the secretary of the company as permanent secretary. This suggestion was unanimously accepted, the McKenzie 250-Hour Club was formed, each member wearing a button with a pic-

ture of the star saleswoman and the words "Mrs. McKenzie 250-Hour Club." Mrs. McKenzie at the time of taking up selling was past fifty and had no previous selling experience. She is doubtless an exceptional woman but her experience is a reminder to employers that there may be other such exceptions
(Summarized from *System*, April, 1922.)

Sales Management Writer Cites Other Instances.—I. J. Ketterer, in a *Sales Management* review of women in business, refers to the experience of a Western firm that employed 39 salesmen, a number of whom seemed to have "gone stale" or become lazy. The sales manager decided to experiment with young women. He employed and trained a number. Within two months one of these novices had a sales record very nearly as high as that of the best salesman in the choicest territory.

This review cites the experience of a woman who took up successfully the selling of printing.

Another example of a successful saleswoman is a woman with generations of culture back of her. She is as attractive as she is charming and clever. She was always interested in her husband's business and at his death became the president of the corporation. In three years she increased the business 40 per cent and has done her share of traveling to get this increase. It is she who helps close contracts with which the men have difficulty. She knows the business from A to Z.

Still another instance is that of a woman who from free-lance copy-writing went into selling and enjoyed continuous success. Her first business training came through the study of a correspondence course.

Mr. Ketterer concludes:

What has been said of these few women applies to all thorough business women who have entered the sales field, with the idea of remaining there. With no more encouragement than is given to men, no added convenience or better hotel accommodations, they are satisfied to "go to it" with a will.

How an Organization That Employs Women Combs Its Territory.—A publisher of an encyclopedic library for young people has, after long experience, found women to be more

satisfactory than men. This concern employs many teachers during the summer months. Possibly the fact that this selling work is one that calls for the art of the teacher, and that there are more teachers among women than among men, accounts for the employer's conclusion. He has also found it better to train saleswomen to cover residential sections thoroughly rather than to depend on leads that come from some form of advertising. The following is an outline of his experience with saleswomen as well as a description of the thorough way in which homes are covered.

Our "mere women" sold almost two million dollars' worth of books during the so-called hard year of 1921. They had just one proposition at one price—\$37.75. They were furnished with no leads, no householder ever knew they were coming. They averaged just a slight fraction under six orders a week per working saleswoman; or, in other words, almost a sale a day.

Frankly, for our business we do not believe in leads for salespeople except those live leads that a salesman gets himself. We have arrived at this conclusion after trying practically everything else. For years we taught our managers to go to the school authorities before sending the saleswomen into the town, copy the names of all the parents and the children, with grades and ages. This required a lot of time. Often we could not get the names from the school authorities, and this resulted in our people passing up that town, since they had been trained to work from these names. We slowly arrived at the conclusion that these names were not worth anything, and we worked out the plan of assigning our salespeople a certain district, ward, or street and sending them into that district to get leads themselves. There was no decrease in business when we adopted this plan. Several years later in an attempt to increase average returns per saleswoman, we tried advertising for leads. Several plans were used but we gave up our advertising efforts; first, because the leads were not satisfactory, many of them were children; many of them too poor to buy, trying to get something for nothing; others, non-prospects such as negroes, etc. Secondly, the effect on the salespeople was not good—the leads were naturally scattered, and we found that our representatives were chasing all over town trying to run down leads instead of using those leads as something to build on.

The only way we have found of getting good leads is to send some one ahead to comb the territory and select the leads. That some one has to have good judgment and ability or the leads won't be worth much. We have found that with a \$37.75 proposition (and I believe that it is still true with a \$60 proposition) a person who has ability to get good leads can make the sale while she is there and in almost the same time that it takes to get the lead.

We are just putting in a new working system for the larger cities. We require all salespeople working in cities to keep an exact record, based on the number of houses on the street. This record is turned in to the manager. The sales are delivered immediately, then as soon as the town is completely canvassed we turn right around and hand those assignments to different salespeople and work it over again. This is having two results. First, it is making the first saleswoman work her territory more carefully, because she doesn't want to leave any business for some other member of the sales family. Secondly, it gives a chance for those who buy to do a little "tongue wagging" about their new books, and when we go back over the territory four to eight weeks later we make good use of that influence.

Don't misunderstand me. Our girls do not go right down the street from house to house, but they do get into most of the homes on the street. While they use different systems, they have all discovered that it doesn't pay to dodge in from house to house; that it is better to see one mother in this block, jump to the next block, come back again, and so on. They get information from the children on the street, the corner grocery man, and from every mother they talk to. They are experts at getting information and leads from the mothers. If the leads are not in their territory, they turn the information over to the manager and it is given to the saleswoman who is working that territory.

Every sales group gets together every night for a 15- to a 30-minute meeting. All orders are turned in and the manager reads the names of the subscribers, the addresses, the number and ages of the children, to the whole group. Our saleswomen write these names on their "influence sheets" and, of course, make good use of them in their sales.

SECTION XXVII

TELEPHONE SALESMANSHIP

The New York Telephone Company, setting forth the usefulness of the telephone in selling work, gives the following example of a business concern's successful use of the telephone method.

One Day of Telephone Selling

Distance covered.....	5,400 miles
Dealers reached.....	39
Orders secured.....	21
Time of average call.....	3 min. 42 sec.
Cost of average call.....	\$1.33
Per cent of expense to sales.....	1 per cent

Value of the Telephone in Selling.—It can hardly be argued successfully that the telephone may generally replace the personal calls of a well trained representative. Yet the telephone is playing an increasingly important part in the task of reaching and talking to men who buy. Its cost, when occasion makes it expedient to use the telephone, is very reasonable.

The peculiar value of the telephone in sales work lies in the following:

1. It is often possible to command the ear of a man who may decline to see a representative, for the reason that he fears the calling salesman will take up too much of his time.

2. When a salesman manages to secure a "telephone hearing," courtesy often makes it more likely that he will get a few words from a busy man than would be the case in an attempted face-to-face interview.

3. The use of the telephone encourages brevity—therefore, minimum interference with work, boiled-down facts on goods, prices, deliveries, and so forth. Telephone conversation encourages concentration at both ends of the wire.

4. The telephone brings into play the sound of familiar voices, natural expression, cordiality of manner and personal relationship.

5. Telephoning gives opportunity to secure an immediate answer.

6. Talks "over the wire" may conserve time and expense to a large degree.

INSTANCES OF SUCCESSFUL TELEPHONE CAMPAIGNS

The Wahl Company, manufacturers of pencils, relates a successful experience with the use of the telephone as a follow-up to the personal calls of their men.

After the territory had been covered by personal calls, all the Wahl salesmen came to the central office. A post card was sent out two days before the telephone campaign began, so that the customers were prepared for the calls over the telephone. The average of calls was forty a day for each man of the force. The Eastern sales manager of this company gives the following additional facts.

We secured a very satisfactory volume of business at a very small cost. (It was approximately 4 per cent). If we had secured no business at all, we would have considered the service profitable, because of the good-will we were able to build up with our trade in offering them this personal service. We learned in this contact with our customers their attitude toward us. We were, within a few days, in personal contact with over a thousand merchants. We were able to adjust differences, to secure new accounts through information obtained from old customers. We not only sold merchandise but reinstated some cancelled orders.

In New York City, a sales agent for six of the largest cotton cloth mills in the United States develops and closes most of his sales by long distance telephoning. So successful has his telephone selling proved that manufacturers in other branches of business can duplicate his sales strategy with reasonable certainty of similar success. His method is the following:

Learning that a certain concern in Chicago is in the market for certain materials, he forwards swatches of the fabrics to the buyer, designating colors, shades and finish by numerals, to facilitate ordering over the telephone.

Three days later he calls the Chicago buyer on the telephone, asks him to place the samples before him and then starts quoting prices and advising on deliveries. By using this unique method, he seems able to impress his customer, and closes sales which sometimes amount to 100,000 to 200,000 yards of material. A trip to Chicago to close a sale of this kind would cost him many more times the cost of the "trip" by telephone. Besides, the saving in time means much.

Without question, many prospective purchasers are impressed with the economy of their time and the lower sales cost made possible through a telephone message. Many a purchaser has, consciously or unconsciously, expressed the thought, when a large number of high-salaried men travel long distances to see him, "Why not eliminate a lot of this expense and give me the information concretely by letter or by telephone?"

THE WEAK POINTS OF TELEPHONE SALESMANSHIP

Telephone salesmanship has its weaknesses, its dangers, so to speak, from the sales point of view. For this reason some sales managers go so far as to forbid their men using the telephone to make either sales or collections. They argue that:

1. Some men regard the use of the telephone by a salesman as an intrusion—a way of getting the hearing that would not be granted if the caller came to the office and stated his errand.

2. The telephone method encourages brevity to such an extent that the man who uses it often lacks opportunity to present his message effectively.

3. While conveying something of personality, the appeal is to one sense only—that of hearing—and not as effective as the salesman of good personality can make his message when he is in the presence of his prospective customer.

4. It is easier, over the telephone, to turn down a proposal and to dismiss the caller than when he is before the prospective purchaser.

5. There is ordinarily no way of giving a demonstration over the telephone too freely no way of showing samples, no way of giving anything but very simple figures.

6. The telephone appeals to natural laziness. It is much easier to call up a man who is in an out-of-the-way place than to go to see him and make a strong effort to interest him.

The Risk in Too Frequent Use of the Telephone.—The man or woman who uses the telephone too freely as a means of getting in touch with prospective purchasers will soon be regarded as a pest. It is well to vary the method.

Guard against Irritating.—It is very easy to arouse resentment through a telephone call. The prospective purchaser is busy in some task or maybe in the middle of an important conversation. "Call from Mr. Blank, of Chicago," the telephone operator informs him. "I wonder what in thunder he is bothering me about?" may be the attitude in which Mr. Prospective Purchaser takes up the receiver.

Now, if Mr. Blank, of Chicago, is so injudicious as to begin with "I see you are giving business to Jones and Company. How did it happen that you did not favor us?" Mr. Prospective Purchaser is likely to growl back.

"The last time I read the Constitution of the United States my interpretation was that we could spend our money in accordance with our own judgment."

The salesman must make a careful study of just how to begin his canvass in a way that will not irritate. Even though every minute of telephone conversation costs, it is better to get at the subject in a tactful, even casual way, than to be too direct or blunt. It is not always the case, of course, that the blunt inquiry offends. A tire-repair man may use the telephone and open his remarks with the question:

"Mr. Jones, what do you do with your tires after you have have run them 3,500 to 4,000 miles.

The point to be kept in mind is that the use of the telephone may be a direct break into the man's or the woman's privacy, without any effective protection, unless the office or the home adopts the system of requiring the caller to state his business, as callers at the home door or the office are required to do. Consequently, there is perhaps greater need for good taste and strategy than is required in personal calls at home or office. Pleasing voice, good humor, patience, control of temper, and quick wit are essential.

Much may depend on just the way a question or request is phrased. The solicitor who asks the direct question, "May I come up tomorrow to see you?" is often inviting a polite refusal. On the other hand, the remark, "I am now planning to be in your city tomorrow afternoon and I want to take five minutes of your time showing you a sample of ——," may secure an assent to the request.

POINTERS ON TELEPHONE SALESMANSHIP

The following are hints from expert users of the telephone in selling campaigns:

To conduct a successful selling campaign by telephone you must *first* establish a definite plan of action, and *then* carry it through to completion. You cannot expect record-breaking results from haphazard use of the telephone any more than you should look for consistent business from the salesman who neglects to plan his work.

The successful salesman selling goods on the road not only has the "knack" of selling, but also possesses a genial smile, and a ring of sincerity and conviction in his voice.

The same qualities demanded of your salesmen when traveling should also characterize their selling talk when they represent your house by telephone. Hand-pick your men, and increased sales will reflect your good judgment.

Make certain that every employe who sends or receives calls is thoroughly familiar with the best telephone methods. Remember the voice with the smile is perhaps even more important in telephone selling than in personal selling. Courtesy, sincerity and clarity of speech are essential to success.

To attain success through telephone selling, salesmen should be well primed in their sales talk. Fumbling for words and hesitancy in delivery are disastrous. Brevity of speech, coupled with smoothness in sales presentation, are prime essentials.

Forgetfulness of the distance between seller and buyer promotes a feeling of composure, a naturalness of conversation and poise of presentation that sells goods.

How the Telephone Helps the Sales Manager.—Frequent telephone conferences and ginger chats with men in the field is a practice of many enterprising sales managers that is rapidly becoming a custom.

Aside from the oral "handshake" of encouragement and selling assistance which can be extended to men on the road,

successful sales managers are using the telephone to transmit late tips on trade conditions to men in the field.

Suppose one of the staff is on the way to Syracuse—the first “step-off” of a long selling trip up-state. A letter arrives in the morning’s mail from one of his best customers stating that unless certain information is furnished, this season’s order of merchandise will go to a competitor. Ten thousand dollars’ worth of goods is “on the fence.” The executives at the home office call a hasty conference and decide what should be done. The sales manager reaches the salesman at his hotel that evening, explains the contents of the letter, suggests the remedy and they save the sale.

Use of Telephone in Wholesale Drug Field.—This view on the use of the telephone as a selling aid in the wholesale drug field is interesting as coming from the 1922 report of the committee on salesmen and selling methods of the National Wholesale Druggists’ Association.

We feel it our duty to report to our members that several houses have cut down the expense of getting their business on staple proprietaries and rapid-selling preparations by having orders for this class of goods solicited over the telephone, which at first seems only practical for city trade. Some concerns, however, are experimenting with getting part of their business by long-distance 'phone from customers in towns close by, presumably at less cost than where solicited only by traveling salesmen.

The valuable part of these methods is that the time of the regular salesman is conserved and he can concentrate and specialize on the more profitable articles of merchandise, such as regular sundries, stationery, candy, own preparations, etc. It is up to the jobber to effect all economies that are feasible and practical, so that he can distribute his merchandise at the smallest cost to him and to the manufacturer.

INDEX

A

- Ability, using other people's, 900
- Accident insurance company's lead-securing plan, 657
- Accidents with commercial automobiles, responsibility for, 643
- Acker, Chas. E., on educating salesmen, 378
- Acme White Lead & Color Works' bulletin to salesmen, 459
- direct-mail campaign to stimulate salesmen, 458
- sales contest, 461
- Adapting experiences of others, 900
- Adding machine company's salesmen's report form, 613
- Addressograph Company's convention experiences, 576
- experience with sales manuals, 370
- sales manual, 381
- Adler, David & Sons' experience with sales conventions, 561
- Advance-Rumely Company's educational work among retailers, 351
- Advertising, budgets for, 750
- charts aid salesmen in using, 760
- cooperation of salesmen with, 756
- coordinating with dealer's, 728
- elimination of waste of, 631
- hosiery salesmen convinced of value of, 767
- how dealers benefit by national, 758
- how salesmen can make effective, 755
- influence of, on distribution, 65
- keeping home office informed of competitive, 755
- Advertising, dealer's support of, national, 759
- overrating value of, 762
- planning and using, 744
- salesman's familiarity with firm's, 758
- what it accomplishes for salesmen, 754
- what salesmen should know about, 753
- Advertisements, sampling through newspaper, 678
- Advertising and sales costs per call, 131
- Advertising and selling expense in representatives lines, 129
- Advertising department, supervision of, 28
- Advertising for salesmen, 284, 286
- Advertising facts for salesmen, 754
- Advertising electrotypes for dealers, 820
- Advertising agency, considerations in employment of, 746
- Advertising agency representation at sales conventions, 588
- Advertising agent's advice to salesmen about advertising, 766
- Advertising agency research methods, 166
- Advertising aids for retailers, retailers' views of, 769
- Advertising and selling expense analyzed together, 110
- Advertising appropriations, 747
- budgets for, 746
- percentages, 130, 750, 75 2
- Advertising as aid to turnover, 764
- Advertising as related to salesmanship, 753

- Advertising campaign, outlining of, to dealers, 799
- Advertising campaign, sectional or national?, 744
- Advertised arguments, salesmen hammer home, 768
- Advertising one product in packages of another, 784
- Advertising plan explained at sales convention, 586
- Advertising portfolios or exhibits for salesmen, 759
- Advertising program, value of sticking to, 752
- Advertising scrap-books for salesmen, 759
- Advertising to supplement sampling, 682
- Advertising to women, paint manufacturer's, 822
- Advertising wastes, checking of, 757
salesman's part in explaining, 756
- Agencies, exclusive, 830
- Agency agreement, form of, 296
- Agents, securing of through letter to newspaper, 653
- Agreements with salesmen, 480, 499
- Agricultural implement sales manual, 385
- Agricultural Inquiry, Joint Commission, findings of, 60
- Agricultural products, chart showing distribution of, 82
- Alexander Hamilton Institute's two-minute convention talks, 581
- "Alibietis" message to salesmen, 471
- Alpha Cement Company's manual, 388
signs for dealers, 710
- Aluminum Cooking Utensil Company's application blank, 300
- Aluminum Cooking Utensil Company's demonstration salesmanship, 894
educational methods, 333
experience with women sellers, 939
kitchen or demonstration parties, 659
method of selecting salesmen, 300
sales convention, 560
salesmen's methods of approach, 852
salesmen's plan of getting names of neighbors as leads, 658
- American Ever Ready Works, method of selecting retailers, 100
- American Ironing Machine Company's course for retail salespeople, 400
- American Radiator Company's cartoons, 468, 803
blackboard statements for salesmen, 801
compensation methods, 495
educational methods, 330
house organs for dealers and salesmen, 799
lead-securing system, 664
message to dealers, 800
method of assigning quotas, 515
plan of aiding dealers, 665
plan of appealing to architects, 664
quota campaign, 798
- American Sugar Company's jobber distribution, 91
- American Tobacco Company's distribution method, 91
standardized talk for salesmen, 768
- American Water Works & Electric Company's bulletins to salesmen, 445
- American Writing Paper Company's use of charts, 206

- American Writing Paper Company's chart of expenditure and income, 208
- Analysis, blanks for, 182
 Federal, state and other reports used in, 162
 gathering data for, 150
 methods of presenting, 187
 what it may reveal, 164
- Analysis form used by Rand McNally & Company, 182
- Analysis of character in selecting salesmen, 271
- Analysis of expenditure of income, 208
- Analysis of market, 137
- Analysis of new product to check slump, 828
- Analysis of sales by industries and products, 610
- Analysis of sales market, need of, 137
- Analysis questions of Geo. Batten Company, 168
- Analyzing market, roofing manufacturer's method of, 155
- Analyzing methods, advertising agency outline of, 169
- Analyzing methods used by advertising agencies, 166
- Analyzing methods used by large paint company, 160
- Analyzing sales progress, value of, 828
- Anderson-Smith Motor Company's self-analysis chart, 316
- Announcing calls of salesmen, 464, 794
 review of experiences, 796
- Antagonistic salesmen, dealing with, 431
- Antagonizing customers, avoid, 912
- Apex Electrical Distributing Company's bonus and quota plan, 507
- Apex Electrical Mfg. Co., policy regarding sales to jobbers, 91
- Appearance of salesmen, 270, 446
- Applicants, voluntary, do not rank high, 303
- Application blank combination, 296
- Approach, obstacles in way of, 422
 methods of Fuller Brush Company, 837
 methods of house-to-house salesmen, 852
 training salesmen on, 378
- Appropriations and budgets for advertising, 746
 explanation of, 751
 percentages of in representative lines, 130
- Approval plan of selling, 774
- Approval-selling, forms of, 777
- Architects and builders, paint manufacturer's contact with, 821
 house-organ contact with, 820
 radiator company's appeal to, 664
- Argument of salesmen, pointed, 860
 for goods on packages and display material, 707
 value of indirect, 875
- Armour Company's bulletins to retailers, 722
 experience with automobiles, 639
- Armstrong Cork Company's course for retailers, 395
 plan of picturing factory to jobbers at convention, 583
- Association of National Advertisers' sales manual chart, 360
- Atkins, E. C. & Company's club among retail salesmen, 354
 compensation methods, 497
- Attention to customer's remarks, value of, 905
- Attention, stunt methods of securing, 866

- Attitude of salesmen toward his work, 847
- Aunt Jemima Mills' comment on salesmen's use of Saturday, 477
- Austin Nichols & Company's letter to new salesmen, 457
- Automobile accidents, responsibility for, 643
- Automobile agency's plan for developing leads, 650
- Automobile concerns' use of telephone directory as source of leads, 655
- Automobile dealers, number in U. S. and Canada, 212
- Automobile dealer's sales tactics to overcome objections, 876
- Automobile distributor's compensation plan, 488
- Automobile lens manufacturer's free-trial offer, 779
- Automobile manufacturer's advertising appropriation percentage, 752
- Automobile manufacturers' research findings, 151
use of map and tack system, 260
use of research data, 153
- Automobile salesmen, training of, 316, 338
- Automobiles, samples put in farmers', 688
- Automobile tire demonstration, 891
- Automobile-tire manufacturer's method of producing leads, 660
- Automobile tire tube demonstration, 890
- Automobiles, variation of sales of, 224
- Automobiles for salesmen, considerations to be weighed, 638
chart or table of, 644-645
climatic conditions to be reckoned with, 637
- Automobiles for salesmen, favorable aspect of, 636
insurance on, 642
makes found best for, 643
questionnaire on, 637
reasons for and against, 638
review of experiences, 639
review of hardware concerns' experiences, 644-645
- B**
- Babson Statistical Organization, chart of commodity prices, 233
chart of sales as related to purchasing power, 248
chart of selling expense, 112
- Baker-Vawter Company's educational methods, 335
experience with sales manuals, 370
house organ for salesmen, 475
manual for salesmen, 374
method of selecting salesmen, 278
salesmen's report form, 616
- Bank campaign, 813
card used in, 815
miscellaneous suggestions on, 817
- Bank contest, point system used in, 814
prizes of, 814
- Bargains, premiums and discounts in selling, 773
- "Bargraph" paper, reproduction of, 266
- Barnes, Julius H., view of standardization, 117
- Barrett Company's compensation methods, 498
- Baseball contest of F. E. Compton & Company, 537
- Basset, Wm. R., view of sales expense, 108
- Bathroom fixtures display, 700
- Batten Company's research questions, 168
- Battle Creek Sanitarium chart, 197

- Beatty, Ed., on overcoming objections of automobile purchasers, 876
- Beaver Board Companies' compensation methods, 497
- "Quality Revue" convention, 582
- Becoming a master salesman, 896
- Beech-Nut Packing Company's compensation method, 481
- Belt manufacturer's sales tactics, 870
- Belting manufacturer's convention for branch office salesmen, 583
- Bicycle race contest, 548
- Blackboards, color as aid in selling, 786
- Blackboards and pads, use of by salesmen, 886
- Blanket manufacturer, distribution plans, 95
- Boards, marketing, 12
- Boards and frames used in retail selling, 700
- Bonus, abandonment of as reward for reduced expenses, 507
- Bonus as part compensation, 481
- Bonus system of compensation, weakness of, 491
- Bonus to salesmen for special educational work, 341
- Bonuses, etc., to retail salesmen by manufacturers, 356
- Book-buying habits, test of, 50
- Book publisher's experiences with women in sales work, 942
- letter to sales applicants, 292
- Boren-Stewart Company's plan of using automobiles, 641
- Boys' and girls' clubs, cooperation with, 102
- Bradford, Ernest S., view of research, 145-196
- Bradstreet's record of why men fail, 737
- Branch office sales conventions, 583
- salesmen's reports sent to, 601
- Branch offices indicated by lettered stickers, 262
- Brand, typing dealer up to, 758
- Branded goods, multiplication of, 66
- Brandenstein, M. J., use of automobiles, 641
- Brandt Manufacturing Company's educational methods, 378
- Brantford Computing Scales Co., cartoon for salesmen, 469
- Brevity in salesmen's letters to home office, 624
- Brokers, policy of California Associated Raisin Co., 89
- Bruce, Jno. M., method of compensating salesmen, 481
- Brush salesmen, training of, 339
- Bubble Book incident, 142
- Budget system, purpose and value of, 824
- value of, in checking slumps, 827
- Budgeting of sales expense, advantages of, 133
- Budgets, explanation of, 751
- methods of determining advertising appropriation, 747
- outline of advertising, 750
- Palmolive Company's method of arranging, 823
- Budgets and appropriations for advertising, 746
- Building-material manufacturer, chart of organization, 11
- Building permits, 50-year chart, 224
- Bulletins as means of stimulating salesmen, 458
- Bulletins for salesmen, illustrations for, 812
- Bulletins to retailers, 722
- Bulletins to salesmen, appropriate material for, 445
- during contest, 804, 812
- use of cartoons in, 476
- Bureau of Personnel Research, purposes of sales organization, 10

- Bureau of Salesmanship Research,
view of qualifications of salesmen, 269
- Burlton, Miss Gladys A., view of women salespeople, 938
- Burritt, M. C., view of manufacturers' cooperation with state and county agents, 104
- Burroughs Adding Machine Co., change to direct control, 20
charts, 21, 25
compensation methods, 497
plan of training, 328
quota method, 513
- Bush Terminal Company's experience in selecting salesmen, 268
- Business men, methods of distributing samples to, 687
- Business Research Bureau's quota report, 511
- Business Research Bureau, N. Y. University, review of checking up on calls of salesmen, 245
- Butler Brothers, method of selecting retailers, 98
- Butler, L. M., comments on results of sales campaigns, 804
- Buyer, getting on plane with, 842
helping him sell himself, 907
- Buyers, getting an interview with, 851
inducing to visit sample display-rooms, 692
interests and hobbies, catering to, 843
result of questionnaire to determine real, 848
"Sphinx" type of, 844
- Buying and selling, evolution of, 61
- Buying at home, how to stimulate, 453
- Buying habits, 178
change of, 62
- Buying tendencies of small towns, 49
- C
- Cake flour manufacturer's distribution of new product, 833
- Calendar manufacturer's salesmen-report system, 604
- Calendars for dealers, 820
- California Associated Raisin Co., policy regarding brokers, 89
- California Fruit Growers' advertising appropriation percentage, 749
- Calls, how to get salesmen to make more, 435
preparation for, 422
what to do with salesmen who skip, 433
- Calls of salesmen, announcing in advance, 794
announcement of, by manufacturer, 464
cards that pave way for, 466
cards to induce, 666
checking up on, 245
figuring cost of, 131
supplementing, by letter, 474
- Calumet Baking Powder Company's demonstration crews, 888
method of sampling through demonstrations, 692
- Campaign for depositors by bank, 813
- Campaign for sales, essentials of, 832
using local organizations, 839
- Campaign, keeping up interest in, 815
- Campaign of paint manufacturer, 818
- Campaigns, examples of sales, 798
sectional or national?, 744
telephone, 946
- Campaigns for selling product, 771
- Campaigns to demonstrate product, 832

- Campbell Soup Company's experience in reducing products, 117
- Candy manufacturer's advertising appropriation percentage, 753
- Cannon, B. B., review of sales contests, 531
- Canvasser's argument must be pointed, 855
- Canvassers, compensation of, 834
- Card index of customers, 474
- Card index of salesmen's report data, 251
- Card index records, 249
- Card order-blank forms, 864
- Cards and letters announcing calls of salesmen, 794
- Cards and posters for retailers, 711 of testimonials, 794 used in dairy campaign, 840
- Cards that pave the way for salesmen's calls, 466
- Cards, use of, by salesmen, 854
- Carnegie Institute on hastily prepared manuals and courses, 363
on training insurance salesmen, 320
review of successful salesmen, 301
- Carpet manufacturer, distribution plans of, 94
- Cartoons, use of, in contests, 803
use of, in developing salesmen, 467
- Cash register selling methods, 880
- Catalogue hangers furnished retailers, 701
- Cement company's distribution history, 86
method of training salesmen, 318
- Cement, increasing winter use of, 138
selling costs of, 126
- Census Bureau reports, value of, 147
- Center, O. D., view of work among county agents, 102
- Centralization of sales control, 16
- Centralization of sales management, gain by, 19
- Certainreed Products Corporation's compensation methods, 498
plan of selling to both jobbers and retailers, 90
quota method, 517
selling costs, 124
- Chain-store research data, 143
- Chain-store salesman, training of, 348
- Chalmers Motor Company's advertising stunt at sales convention, 580
- Chamber of Commerce, U. S., table showing standardization, 118
view of standardization, 117
- Champion Spark Plug counter container for retailers, 717
- Character, analysis of, in selecting salesmen, 271
- Characteristics of salesmen, 270
- Chart of Battle Creek Sanitarium, 197
of building-material manufacturer, 11
of distribution of agricultural products, 82
of electrical expenses, 210
of essentials of salesmanship, 411
of expense and profit in various lines, 127
of functional organization of manufacturer, 4
of manufacturer's distribution of the dollar, 69
of Ralston Purina Co., 15
of retail clothier's distribution of the dollar, 70
of retail dry goods buying and selling price and margin, 77
of sales manual, 360
of sales operating function, 37
of self-analysis, 316

- Chart of self-analysis by salesmen, 414
 - of shoe retailer's distribution of the dollar, 71
 - of standardization of commodities, 118
 - of tool and die manufacturer, 14
 - of use of automobiles in selling, 644-645
 - of world telephones, 221
- Charting research data, 198
- Charts as features of sales manuals, 390
 - automobile manufacturer's use of, 207
 - figuring selling expense by use of, 111
 - 'graphs, and tables as aids in selling, 209
 - of Burroughs Adding Machine Co., 21, 25
 - of distribution of dollar by manufacturers, wholesalers, and retailers, 69, 70, 71, 72, 73
 - of salesmen's records used at conventions, 564
 - of selling costs, 123, 124, 125, 127, 129, 130, 131
 - paper manufacturer's use of, 206
 - paper useful in the making of, 266
 - to aid salesmen in using advertising, 760
 - use of, by sales departments, 201
 - use of, for quota records, 505
 - use of, in contests, 557
 - use of, in research work, 199
 - using outline maps for making, 225
 - value of, in organizing, 9
- Checking up on salesmen's activities, 474
- Chevrolet Motor Company's educational course for dealers, 725
- Children as collectors of samples, 680
- Chipman Hosiery Company's method of showing samples, 690
- Christmas and vacation club ideas, 774
- Circus demonstration car furnished retailers, 720
- Classes for training salesmen, 311
- Cleanser salesman's demonstration, 890
- Cleveland Electrical League's school for salesmen, 342
- Cleveland Metal Products Company's convention ideas, 580
- Cleveland Tractor Company's compensation methods, 497
- Cleveland Trust Company chart, 231
- Climatic conditions in automobile selling, 637
- Clinching the sale, 920
- Clippings, use of by salesmen, 857
- Clock and thermometer record chart, 816
- Closing argument, dramatic, 872
- Closing sales by use of clippings, 857
- Closing sales, sales manager's advice on, 874
- Closing the sale, 920
- Clothing, men's, distribution of consumer's dollar, 81
 - men's and boys', distribution of consumer's dollar, 73
- Clothing manufacturer's advertising appropriation percentage, 753
 - distribution of retailer's dollar, 72
 - method of using traveling sample kit, 684
 - sales contest, 548
 - sales convention, 561
- Clothing sales costs, 122
- Clothing salesmen, training of, 324
- Clubs, organizing of, among retail salesmen by manufacturer, 354
- Coal, increasing summer-buying of, 138

- Coca Cola Company's signs for drug stores, 708
- Coffee roaster's sampling plan, 674
- Coffee salesman's demonstration kit, 885
- Coleman Lamp Company displays for dealers, 723
- Colgate & Company's advertising appropriation method, 748
- method of distributing samples, 677
- method of sampling through 10-cent channels, 686
- College students as house-to-house salesmen, 836
- as summer salesmen, 334
- Fuller Brush experience with, 836
- Collins, Jas. H., result of surveys, 165
- Color, harmony of, in displaying goods, 695
- Color of product in selling, 786
- Columbia Chemical Works' display material for retailers, 713
- Columbia Graphophone Company's salesman's report form, 610
- Combination sales means of introducing new product, 687
- Commission compensation, 480
- Commission to salesmen on mail orders, 498
- Committees, marketing, 12
- Commodity prices, trend of, 233
- Compensation, graduated scale of 496
- special to retail salesmen by manufacturers and jobbers, 356
- Compensation based on gross profit, argument for, 487
- Compensation for sales engineering, 34
- Compensation methods of wholesale druggist, 496
- Compensation methods, Wholesale Druggists' Asso., 490
- Compensation plans for salesmen, 480
- Compensation plans, examples of, 481
- review of, 485
- Competition, knowledge of, by salesmen, 311
- Competitive advertising, salesmen's view of, 755
- Complaining salesmen, session arranged for at sales convention, 571
- Complaints, reporting of by salesmen, 625
- Compton, F. E. & Company's baseball contest, 537
- letter to sales applicants, 292
- salesmen's method of getting an interview, 852
- Candle-Bray Glass & Paint Company's review of sales contests, 531
- Conditions, reporting of, by salesmen, 599
- salesmen's tendency to exaggerate, 627
- Conferences and conventions of salesmen, 559
- Conferences and conventions, planning of, 567
- Conferences of sales manager with salesmen, 474
- Conferences, with salesmen to facilitate credit cooperation, 741
- Conferences, value of group, 565
- weekly or monthly, 565
- Confidence as aid in getting a hearing, 851
- Confidence of retail merchants, how to earn, 858
- Congoleum Company's mail-order approval-selling form, 777
- Conklin Pen Mfg. Company's outdoor sales convention, 582

- Connecticut Mutual Life Insurance Company's method of securing salesmen, 281
- Consignment, selling goods on, 779
- Consumer acceptance, overstatement with regard to, 763
- Consumer-canvassing campaign. cost of, 835
- Consumer-canvassing plan, 833
- Consumers, canvassing to interest dealers, 833
- Consumer's dollar, distribution of, in various enterprises, 72, 73
- Consumer's dollar spent for corn flakes, distribution of, 80
- Contact, suggestions on getting point of, 394
- Container or package, distinctive. 785
- Contest, card used in bank, 815
keeping up interest in, 815
picturing percentage standings in, 810
"World series," 816
- Contest chart of banks, 816
- Contest for lowering of salesmen's expenses, 630
for retail salesmen, 555
miscellaneous suggestions for, 817
of bank, 813
prizes of, 814
- Contest rules and methods, explain thoroughly, 814
- Contests, adaptability of, 523
examples of, 535
featuring records of men in, 804
featuring telegrams during, 811
ideas for, 535
opposing opinions as to value of, 527
reason for failure of, 524
stimulating participants in, 533
use of maps in, 558
why some firms dislike, 526
- Contracts with salesmen, 480
- Contractors, etc., paint-concern's contact with, 821
- Convention dinners and luncheons, 594
entertainment, 597
for jobbers' salesmen, 581
for jobbers, visualizing factory to, 583
methods and ideas, 589
music, 596
printed matter, 590
prizes and souvenirs, 595
program, outline of, 572, 590
- Convention rooms, arrangement of, 570
signs and texts used in, 569
- Convention stunts, 593
- Conventions and conferences, 559, 567
for branch office salesmen, 583
for retail salesmen, 585
held outdoors, 582
- Conventions, advertising manager at, 586
charts of salesmen's records used at, 564
demonstration sales at, 577
educational value of, 311
featuring of new models at, 580
group meetings at, 592
how to make successful, 567
length of, 591
maintaining order in, 571
managing of by salesmen, 576
motion pictures shown at, 590
outside speakers at, 592
preparing for and managing, 574
putting through definite tasks at, 562
show or circus idea for, 593
simultaneous territorial, 592
special costumes for, 595
special features of, 598
stenographic reports of, 571
stimulating of discussions at, 572
tableaux used in, 582
territorial, 584
things to avoid at, 574

- Conventions, transportation of
men to, 591
two-minute discussions at, 581
what accomplished by?, 567
- Convincing prospect of need of
product, 890
- Cook, W. M., view of manufac-
turers' cooperation, 104
- Cooperative campaign, funds for,
839
- Cooperative educational methods,
retail, 343
- Cooperative exhibits furnished by
manufacturers to retailers, 722
- Cooperative marketing campaign,
839
retail display effort, 703
sampling idea, 685
- Cooperation of home office, appre-
ciation of, 625
- Corn flakes, distribution of con-
sumer's dollar, 80
- Cornell & Underhill's use of auto-
mobiles, 641
- Corona Provision Company's use
of automobiles, 641
- Corona Typewriter Co., analysis
form, 186
dealers' report form, 613
- Correspondence course helps sell
feed, 789
- Correspondence course, offering of,
as aid to selling, 789
- Correspondence courses for
retailers, 400
for salesmen, 378
- Correspondence school's canvass
for leads, 658
cooperative plan for securing
leads, 656
manual for salesmen, 382
method of training salesmen, 333
quota club, 518
quota system, 510
- Cost accounting, Credit Associa-
tion's rules for, 109
lack of uniformity in, 107
- Cost of distribution, 63
of selling Portland cement, 126
of sampling, 676, 691
- Costs of selling, 106
of selling new products, 171
- Costumes for sales conventions,
595
- Cotton goods manufacturer's dis-
tribution plans, 96
- Counter book of National Lead
Company, 820
- Counter cabinets and cases for
retail use, 717
- Counter card, example of, 698
- Counter-display in retail selling,
697
- Counter sample books, 689
- Counter signs of National Lead
Company, 820
- County agents as indirect sales-
men, 101
selling through, 102
view of manufacturers' coopera-
tion, 104
- Coupon sampling, objections to,
679
- Coupons, use of in sampling, 678
- Courage, lack of by salesmen, 427
need for in salesmanship, 846
- Course for salesmen, 896
- Courses and manuals for salesmen,
358
- Courses for retailers, examples of,
395
- Courses, etc. in training salesmen,
311
- Courses, material for, 362
- Courtesy in letters from salesmen,
626
- Crane & Breed Mfg. Company's
sales manual, 371-373
- Credit Managers, National Asso-
ciation of, views, 732
- Credit Men, National Association
of, rules for accounting, 109
- Credit terms, Salesmen should
make clear, 738

- Credit, miscellaneous suggestions on, 743
 what a salesman should know about, 732
 what determines?, 736
 when additional, is declined, 738
- Credit conferences of salesmen and credit manager, 741
- Credit cooperation, need for close, 742
- Credit data from salesmen, form for, 735
- Credit declined, 738
- Credit department, function of, 732
 department and salesmen, how to harmonize, 732
- Credit information at conventions, 586
 from banks, 739
 wanted from salesmen, 733
- Credit rating, facts that help determine, 737
 how to determine, 736
- Credit references, 740
- Credits, value of short, 739
- Criticism, receive in good spirit, 626
- Cross-ruled paper for making charts, 266
- Cubbison, Clifford M., advice to house-to-house salesmen, 861
- Cudahy Company's experience with automobiles, 640
- Curtis Publishing Company's charts, 236
 on research, 191
 letter to prospective subscription solicitors, 294
 review of Sabetha, Kans., 49
- Customer, helping to sell himself, 907
 listening to comments of, 905
- Customers, examples of tactful letters to, 620
 getting on plane with, 842
 keeping record of, by salesmen, 606
- Customers, letters to, from salesmen, 618
 study of, in approval selling, 778
 too much deference to views of, 441
- Customers' letters, injudicious language in, 621
 tact in answering, 620
- Customer's point of view, deference, to, by salesmen, 441
 value of, in letters, 619

D

- "Daily dozen" idea for salesmen, 434
- Dairy Council, cooperative campaign of National, 839
- Dairy products, cooperative campaign for marketing, 839
- Dartnell Corporation bulletin to salesmen, 476
 credit hints to salesmen, 733
 gives items most frequently considered in determining sales campaigns, 750
 review of salesmen's agreements, 499
 review of sales control, 26
 review of sales manuals, 390
 review of turnover of salesmen, 309
 salesmen's report form, 614
 salesmen's weekly expense form, 634
 summary of methods of arriving at advertising appropriations, 748
 view on sales-expense reduction, 121
- Dealer aids, essentials of good, 706
 distributed by salesman, 881
 house organ as means of exploiting, 716
 increasing appreciation of, 721
 mailing to manufacturer's salesman, 789

- Dealer aids, percentages spent for, 131
 placing through manufacturer's salesmen, 789
 questionnaire to determine popularity of, 726
 selling of, by manufacturers, 705
 size of retail stores to be kept in mind in planning, 706
 weaknesses of, 701
- Dealers' conventions, advertising plan explained to, 587
- Dealer displays, reasons why unused, 702
- Dealer helps, 696
- Dealer material, common weaknesses of, 701
- Dealer representation, exclusive or not?, 92
- Dealer salespeople, conventions for, 585
- Dealers, acquiring new, through assignment of definite task at sales convention, 562
 advertising electrotypes for, 820
 American Radiator Company's plan of aiding, 665
 corresponding with inactive, to produce leads, 651
 good displays for, 703
 interesting, in new product, 833
 method of getting names of, 788
 records for, 246
 sampling through, 680
 securing new, through letter to newspaper, 653
 selling displays to, 705
 support of national advertising, 759
 training of, by manufacturer's salesmen, 347
- D'Andrea Brothers, sampling letter of, 675
- Decision, dramatic way of getting, 872
 life insurance salesman's method of getting, 873
- Decision, methods of securing, 870, 875
- Deere & Company's experience in reducing products, 117
- Deer Company, A. J., vacation prize contest, 536
- DeLaval Separator Company, advertising charts of, 760
 representation of, 101
- Demonstration agents, working in cooperation with, 104
- Demonstrating aluminum ware, 894
- Demonstrating automobile tire tubes, 890
- Demonstrating and samples create leads, 655
- Demonstrating farm lighting system, 891
 need of linotype equipment, 890
 one article at time, 884
 thermos bottles, 891
 vacuum cleaners, 888
- Demonstration campaign, 832
 dealers' cooperation in, 833
 how planned, 832
- Demonstration cars as aid to dealers, 720
- Demonstration crews, 888
- Demonstration first, argument last, 884
- Demonstration kit of Geo. Washington Coffee salesmen, 885
- Demonstration of slicing machine, 889
- Demonstrations or lectures aid in selling, 780
- Demonstration tour to increase sales, 781
- Demonstration, 881
 points that help, 883
 sampling through, 692-
 stunt or sensational, 866
- Demonstrators aid in training salesmen, 311
- Dennison Mfg. Company's method of uncovering salesmen's weaknesses, 465

- Dentifrice samples, method of distributing, 678
- Dentists, distributing dentifrice samples through, 678
- Departmental organization and relationship, 3
- Detroit Steel Products Company's quota method, 513
- Deute, H. H., view of advance notice of salesmen's calls, 798
- Developing and directing salesmen, 403
- Diamond Salt Company's advice to salesmen, 842
- Diek, A. B., advice to salesmen, 881
- Dictaphone Company's review of compensation methods, 485
- Diplomacy and strategy of salesmen, 917
- Directing and developing salesmen, 403
- Direct control of Burroughs Adding Machine Co., 20
- Direct-mail campaign as stimulant to salesmen, 458
- Discounts, premiums and bargains in selling, 773
teaching buyers value of, 740
- Discussion, stimulating of at conventions, 572
- Disheartened salesmen, dealing with, 433
- Dishonesty not principal cause of failures, 736
- Display-boards, frames and tables, 694, 700
- Display cards and posters, layout for retail, 709
street-car cards used as, 711
typography of, 712
- Display-cases for counter use, 697
for seeds, 719
- Display fixtures and cards, dealers want good, 703
for retailers, reasons often not used, 702
- Display fixtures and cards, help retailers make related sales, 713
retail, 697
three-panel style of, 707
- Display material for dealers, planning of, 707
- Display material should give argument for goods, 707
- Display material that stands steadily, 707
- Display material used in connection with products, 715
- Display of goods in sample rooms, 693
- Display-rooms, lighting of, 694
- Display-room selling, 692
- Display space, question of paying for, 705
- Displays, harmony of color in, 695
- Diston Saw show-card, 711
- Distinctiveness, value of in advertising and selling, 52
- Distributing and soliciting plan, development of, 663
- Distribution by clothing manufacturer of retailer's dollar, 72
- Distribution costs, 63
- Distribution of agricultural products, chart of, 82
of consumer's dollar spent for corn flakes, 80
of consumer's dollar spent for men's suits, 81
of the dollar by eight manufacturers, 71
of dollar by laundry-soap manufacturer, 72
of the dollar by manufacturer, 69
of dry-goods consumer's dollar, 72
of new product, 833
of product determines selling campaign, 744
of wool and wool products, 84
plans of manufacturers in carpet, textile, knit goods and hosiery fields, 94

- Distribution problem, Review of, 60
 sectional or national?, 744
- Dodge, Frank H., views of Burroughs Adding Machine Co. sales control, 20
- Dollar, distribution of, in various enterprises, 71, 72
- Dollar spent for corn flakes by consumer, distribution of, 80
- Dollar spent for men's suits, distribution of, 81
- Dramatic closing argument, 872
- Drawing accounts of salesmen, 483
- Dress of salesmen, 409
- Druggists' Association, National Wholesale, compensation methods, 490
 report of, on training methods, 343
 view of telephone in selling, 950
- Drug sales costs, 122
- Drug salesmen, compensation of, 490
 training of, 343
- Drug specialty firm's sales convention, 579
- Drug, wholesale, chart of sales organization, 27
- Dry-goods consumer's dollar, distribution of, 72
- Dry goods, retail, chart of buying and selling price and margin, 77
- Dry goods sales costs, 122
- Dulin, R. M., on credit information from salesmen, 734
- Dunn's, H. H., self-analysis chart, 316
- E
- Earl & Wilson's catalogue hanger for retailers, 701
 compensation methods, 497
- Eastman Kodak Company's educational methods, 344
- Eastman Kodak Company's educational work among retailers, 355
- Eaton, Crane & Pike's sample counter book, 689
- Edison Electric Appliance Company's course for retailers, 399
 educational work, 348
- Edison Illuminating Company's use of automobiles, 641
- Edson-Moore Company's plan of using automobiles, 641
- Educating retail salesmen, 342
- Educating salesmen, 307
 cooperation between manufacturer and retailer, 344
 experiences, 327
 Portland cement company's plan of, 318
- Educational courses afford recruits for sales force, 282
- Educational exhibits, cooperative, 722
- Educational material for retail salespeople, 722
- Educational work among dealers, 347
- Electrical and mechanical salesmen, how trained, 315
- Electrical business, sales and operating expenses in, 210
- Electrical manufacturer's carnival convention, 593
- Electrical sales costs, 124
- Electrical salesmen, course for, 348
 training of, 342
- Electrical power, comparative chart of, 222
- Electrical World* charts, 222, 240
- Electric washing machine manufacturer's bonus plan, 507
- Electrotypes of advertising for dealers, 820
- Embarrassing experiences, salesmen must expect, 845

- Emerson, Harrington, defines records and reports, 189
- Employing salesmen, experiences in, 302
- Encouraging letters to salesmen, 456
- Endexco marking pins, 264
- Endicott-Johnson Corporation's method of selecting salesmen, 276
- weekly report form, 608
- Engineering News-record* chart, 224
- Engineering plan in sales departments, 33
- Engineers, etc., house organ contact with, 820
- English expert's view of salesmanship, 407
- Entertainment at sales conventions, 597
- Envelop company's service selling, 787
- Enthusiasm in selling, 449
- Enthusiasm of salesmen, how to stir, 799
- Equitable Life Insurance Company's method of training salesmen, 319
- Essentials of salesmanship, chart of, 411
- Essentials of salesmanship, sales manager's review of, 421
- "Eversharp" Company's supervision methods, 405
- "Eversharp" three-panel display, 710
- Everwear Hosiery Co. convinces salesmen of value of advertising, 767
- Exaggeration, tendency to, on part of salesmen, 627
- Exclusive dealer representation, 92
- Exclusive sales agencies, hosiery manufacturer's, 830
- Exhibits for retailers, cooperative, 722
- Expense account form, daily, 632
- Expense accounts covered in salesman's contract, 629
- Expense reports, forms of, 632
- Expense, showing customers how to save, 868
- Expenses of salesmen at conventions, 591
- of salesmen checked against sales and profits, 631
- of salesmen, contest for lowering, 630
- Expenses, weekly, monthly or yearly record of, 633
- Experiences, swapping of at conventions, 563
- using other people's, 900
- Extension agents, cooperating with, 104

F

- Fabrics, easy sampling of, 676
- Facts, don't overstate, 909
- Failures, principal reasons for, 737
- Farm & Home*, charts from, 218
- Farm Bureau agents as indirect salesmen, 101
- Farm lighting system, demonstrating, 891
- Farm machinery, demonstration of as aid to selling, 782
- variation of season for sale of, 243
- Farm products, chart showing distribution, 82
- sales by months, 230
- Farmer questionnaire, 193
- Farmers, agricultural agents as aid in selling to, 101
- buying power of, charted, 241
- paint manufacturer's advertising to, 822
- selling to, 101
- Fault-finding salesmen, session arranged for at sales convention, 571

- Fear, helping salesmen to overcome, 427
- Federal Truck Company's "True Trux Clan" club, 519
- Fels & Company's sampling method, 681
- "Fighting Olivers" organization, 517
- Finch Merchants' Club educational material for retailers, 723
- Finch, Van Slyck & McConville's development of salesmen, 431
salesmen's use of Saturdays, 478
- Firearms salesmen, training of, 323
- Fischer, A. T., on value of display in selling, 696
- Flershem, R. B., letter to salesmen, 806
telegram of congratulation to branch offices, 804
- Flour manufacturer's questionnaire, 177
- Follow-up letters, testimonials as, 794
- Food manufacturer's compensation methods, 490
- Form for credit report from salesmen, 735
- Forms for reporting salesmen's expenses, 632
- Franklin Automobile Company chart, 207
- Frederick, J. Geo., list of data required by sales departments, 203
on sales promotion, 38
view of production as related to cost, 112
- Free trial as sales boost, 779
- Freschl, Edw., essentials of sales campaign, 832
view of hosiery guarantee, 831
- Fuller, Alfred C., outline of house-to-house selling campaign, 835
- Fuller brush compensation of salesmen, 837
- Fuller Brush Company's approach methods, 837
educational methods, 339
house-to-house campaign, 835
method of selling to negroes, 283
personal letters to salesmen, 452
post-card report forms for salesmen, 616
records for salesmen, 250
salesmen, requirements of, 836
- Furniture concern's advertising appropriation percentage, 753
- Furniture stores, variation of sales in, 224

G

- Game spirit in business, 8
- Garver Brothers' method of distributing samples, 685
- Gates Rubber Company's form for credit report on new dealers, 735
view of credit information, 734
- Gaw-O'Hara Envelope Company's service selling, 787
- General Electric Company's educational exhibit for retailers, 722
- General Tire & Rubber Company's compensation methods, 494
- Geographical sales division, 26
- Getting ready to sell, 897
- Gibson Mandolin-Guitar Co., monthly reports, 603
- Gilbert, A. C. Company's demonstration car for retailers, 720
- Gillette Safety Razor Company's educational methods, 339
- Gillfillan, S. J., outline of baseball contest, 538
- Girls' and boys' clubs, cooperation with, 102
- Globe-Wernicke Company's lead-creating letter, 652
salesmen's report form, 616

- Glue manufacturer exploits articles made with product, 789
- Goodform Hair Nets display case, 718
- Goodrich Rubber Company's research methods, 149
- Goods, showing of, 871
- Good-will, developing and holding, 54
- Good-will of buyers, methods of securing, 870
- Good-will or service salesmanship, 858
- Goodwin, J. P., argument for compensation of salesmen based on gross profit, 487
- Goodyear Tire & Rubber Company chart, 199
method of selecting salesmen, 274
- Grading salesmen, chart for, 317
- Grant, W. T. Company's research data, 143
- Graphs, charts and tables as aids in selling, 209
- Grocer, retail, recommendations on turnover by Joint Commission of Agricultural Inquiry, 68
stock turn, 75
- Grocers, wholesale, findings of Joint Commission of Agricultural Inquiry, 66
stock turn, 74
- Groceries, retail, buying and selling price and margin, 78
- Grocery jobber's analysis of orders, 254
- Grocery sales costs, 122
- Grocery stores, variation of sales in, 224
- Group meetings at sales conventions, 592
- Guarantee, following up of, produces leads, 659
- Guarantee of product, change in, 831
- H
- Habits, how salesmanship changes, 2
- Habits of buyers, study of, 422
- Habits of buying, change of, 62
- Habits of salesmen, unfortunate, 902
- Hamilton, J. W., observations on development of salesmen, 431
salesmen's use of Saturdays, 478
- Hammermill Paper Company's sales contest plans, 546
- Handbook for jobbers' salesmen, 819
- Handbooks for salesmen, 818
- Haney, Lewis N., views on Procter & Gamble method, 87
- Hardware Association, National, review of experience with automobiles in selling, 644-645
- Hardware, National Association of, selling costs, 122
retail, buying and selling price and margin, 79
retail sales expense percentages, 125
sales costs, 122
- Hardware stores, analysis of distribution of throughout U. S., 220
- Harriman, P. D., comments on Saturday selling, 479
- Hart, Schaffner & Marx, method of selecting retailers, 99
- Harvesting machinery, variation of season for sale of, 243
- Hawkins, Norval A., defines place of credit man, 732
- Heider tractor demonstration, 890
- Heinz, Howard, convention methods, 563
- Heinz, H. J. Company's educational methods, 338
method of having salesmen participate in conventions, 563
policies regarding retailers and wholesalers, 90

- Heinz, H. J. Company's view of credit, 739
- Hercules Cold Solder display case, 720
- Hercules Powder Company's expense account form for salesmen, 632
- Hermann, E. P., tells what a map can show, 227
- High record, announcement of at convention, 565
- High selling costs, what may cause, 114
- Higham, C. F., view of good salesmanship, 407
- Hobbies and interests of customers, learning, 843
- Hobbies of customers, when to discuss, 844
- using as method of approach, 844
- Hohaus, W. H., on research methods, 149
- Holcomb & Hoke Mfg. Company's educational methods, 331
- method of selecting salesmen, 280
- Holden, Paul E., views on standardization, 119
- Holeproof Hosiery Company's change in guarantee, 831
- experience with guarantee, 772
- experience with increase of dealer representation, 94
- sales campaign, 830
- Holland Furnace Company's service salesmanship, 783
- Home equipment, percentages purchasing, 237
- Home-office cooperation, appreciation of, by salesmen, 625
- Home-office training of salesmen, 325
- Home office, helpfulness of trip to, 804
- letters to, from salesmen, 622
- Home office letters, address to company, 624
- orderly arrangement in salesmen's, 622
- salesmen should read carefully, 627
- Home-owners, percentage of, by cities, 217
- Hoosier Mfg. Co., method of selecting retailers, 99
- Hoover Suction Sweeper Company's method of selecting salesmen, 280
- Horse race contest, 553
- Hosiery, economical method of showing samples of, 699
- Hosiery manufacturer, distribution plans, 95
- Hosiery manufacturer's change in guarantee, 831
- Hosiery salesmen, convincing of value of advertising, 767
- House organ contact with various groups, 820
- House organ instruction, Aluminum Cooking Utensil Co., 335
- House organ of National Lead Company, 819
- House organ of Palmolive Company for salesmen, 827
- House organ, developing salesmen through use of, 450
- editing of, 40
- separate issues for different groups, 822
- value of, in exploiting dealer aids, 716
- House organs for retail salesmen, 344, 354
- House organs for salesmen, what to include in, 451
- House organs, examples of good names for, 450
- use of, at conventions, 590
- House-to-house canvassers, College men as, 334
- House-to-house canvassing, 861

- House-to-house salesmen, approach
of, 837, 852
college students for, 836
compensating, 837
hints to, 863
method of securing, 861
records of, 837
testing of, 861
- House-to-house selling campaign,
835
- House-to-house selling, women in,
942
- Housewives, research among, 177
- Humor, use of in directing sales-
men, 467
- Humorous sales manuals, 373
- Hysell, Helen, view on appearance
and characteristics of sales-
men, 270
- I
- Ideal Stencil Machine Company's
convention experiences, 579
- Ignorance, frank confession of, 626
- Impartial selling, how to promote,
787
- Implement manufacturer's sales
manual, 385
- Impracticable salesmen, dealing
with, 432
- Incomes, growth of, in U. S., 237
- Index, card, of customers, 474
- Index records, what they indicate,
249
- Indirect sales argument, 875
- Industrial concerns, selling to, 848
- Ingersoll, Robt. H. & Bro., ex-
perience with automobiles, 640
- Inquirers, letters to, from salesmen,
618
- Inquiries, Portland cement com-
pany's method of testing, 681
salesman's part in having dealers
give proper attention to, 757
- Inquiries or leads, advantages of,
647
- Inquiries or leads, developing, 647
value of, 648
- Installment sales, getting full cash
for, 788
- Institutional salesmen, training of,
348
- Instructing salesmen, 307
review of representative meth-
ods, 315
simplicity and tact needed, 312
- Instruction methods, 313
- Instruction, traveling, for sales-
men, 341
- Interlaken Cloth Company's
exploiting of books bound in
its product, 783
- International Correspondence
Schools' manual, 382
method of training salesmen, 332
methods of producing leads, 660
- International Harvester Com-
pany's mailing-list blank fur-
nished dealers, 730
- International Magazine Com-
pany's research findings on
selling costs, 128
- Insurance companies' methods of
selecting salesmen, 281
- Insurance on salesmen's auto-
mobiles, 642
National manufacturer's regula-
tions on, 642
- Insurance salesmen, Carnegie In-
stitute's method of training,
320
training of, 319
- Interviews, clippings as means of
securing, 857
confidence as aid in getting, 851
experiences of salesmen on
getting, 851
how salesmen get, 851
letters as means of obtaining,
855
method of obtaining, 854
preparation for, 422
- Introducing new product, 869

- Introducing new salesmen to trade, 464
- Introspection, much or little?, 412
- Investment concern's method of selecting salesmen, 276
- Investment concern's sales manual, 390
- Investment salesmen, training of, 340
- Investments, price trends of, 231
- Isco Company's sales manual, 389
- Itinerary, checking up salesmen's, 608
- Iverson, Geo. W., on training retail tractor salesmen, 353
- Ivory soap, change of distribution plan, 85
- J**
- James Manufacturing Company's experiences with conventions, 576
- Jewel Tea Company's house-to-house methods, 861
- Jewelry concern's advertising appropriation percentage, 753
- Jobber, selling through or selling direct to retail trade, 85
wholesaler and retailer, comparative selling effort, 97
- Jobbers indicated by maps, 265
- Jobbers, policy of Weyman, Bruton Co., Southern Cotton Oil Co., American Sugar Refining Co., Corn Products Refining Co., North American Lace Co., California Associated Raisin Co., and others, 89, 91
- Jobbers' salesmen, convention for, 581
handbook for, 819
mailing-list of, 819
- Johnson & Johnson's method of introducing new product through combination sales, 687
- Joint Commission of Agricultural Inquiry, findings of, 60
- Joseph & Feiss Company's compensation methods, 497
suggestions to retailers for use of merchandising or display material, 709
three-panel window-display, 708
- K**
- Kalamazoo Corset Company's sales contest, 551
- Kalamazoo Loose-leaf Binder Co., sales ideals, 58
- Kaynee Company's method of distributing samples, 684
method of selecting retailers, 99
- Kellogg Toasted Corn Flakes Company's method of distributing samples, 676
- Kemper, Max, observations on dealers' conventions, 587
- Kenagy, H. G., on geographical and product sales organization, 13
on purposes of sales organization, 10
on sales research departments, 40
review of successful salesmen, 301
- Kendall Products Company's method of selecting salesmen, 282
- Ketterer, I. J., view of women in sales work, 942
- Kincaid, W. W., view of women sellers, 939
- Kinney, Gilbert, advice to salesmen about advertising, 766
- Kitchen cabinets, sensational method of selling, 859
- Kitchen parties or demonstrations produce leads, 659
- Klearflax Rug Co., view of standardization, 117
- Knit-goods manufacturer, distribution plans, 94

- Knockers, session for, at sales convention, 571
- Koenig & Schuster's use of automobiles, 641
- Kohorn, H. B., on selecting retailers, 99
- Koken Barber Supply Company's experience with conventions, 574
- Kuppenheimer Company's plan of coordinating advertising, 728
- L
- Lambert, S. C., view of announcing salesmen's calls, 796
- Lamp-demand chart, 239
- Language, use of, in letters, 621
- Lantern slides for dealers, 820
- Larkin Company's club plan of selling, 771
- La Salle Extension University tells what maps can show, 227
- La Salle Extension University's charts, 221, 125, 126
- Laundry enterprise prospectus, 35
- Laundry-soap manufacturer's distribution of dollar, 72
- Layout for retail display card or poster, 709
- Leads by following up guarantee, 659
- Leads or inquiries, advantages of, 647
 - developing, 647
 - value of, 648
- Leads, automobile agency's plan for developing, 650
 - automobile dealer's method of securing, 865
 - cards to induce, 666
 - correspondence school's "dragnet canvass" for, 658
 - corresponding with inactive dealers to produce, 651
 - demonstrations or samples for creating of, 655
 - disadvantage of furnishing salesmen, 649
- Leads, letter series to develop, 651
 - life insurance salesmen's method of developing, 658
 - miscellaneous sources of, 667
 - miscellaneous suggestions on development of, 668
 - names of neighbors as, 658
 - newspapers source of, 662
 - salesmen given too many, 505
 - scout-work in development of, 662
 - secured by using letter, 661
 - shoe salesman's method of producing, 655
 - telephone directory source of, 655
 - through cooperating with employers, 656
 - through delivery of accident-benefit check, 657
 - through providing salesmen with lists of users and likely users, 657
- Lead-creating letters, examples of, 652
- Lead-producing cards, specimens of, 667
- Lead-securing system of American Radiator Company, 664
- Lectures or demonstrations aid in selling, 780
- Lee, Geo. W., review of essentials of salesmanship, 421
- Lee Tire & Rubber Company's "torture test" demonstration, 891
- Lefax* magazine on advertising campaigns, 745
- Leftwich, Vernon C., view of bank campaign, 813
- "Legal language" in order blanks, 864
- Legibility in letters from salesmen, 622
- Length of sales conventions, views as to, 591
- Letters and cards announcing call of salesmen, 794

- Letter and order blank combination, 865
- Letters and reports from salesmen, 599
- Letters announcing salesman's call, 461
- Letter for producing leads, 661
- Letter from chief engineer to salesmen, 809
- Letters from customers, tact in answering, 620
- Letters from home office to salesmen, hurried reading of, 627
- Letters from president to salesmen, 806
- Letters from salesmen about complaints, give details in, 625
- Letters from salesmen to customers or inquirers, 618
- Letters from salesmen, courtesy in, 626
reflection of loyalty in, 626
- Letters from technical men during sales campaign, 808
- Letter series to develop leads, 651
- Letters that create leads, examples of, 652
- Letters that encourage salesmen, 456
- Letters that obtain interviews, 855
- Letters to customers, examples of tactful, 620
injudicious language in, 621
style of language for, 621
- Letters to dealers that support salesmen's talk about advertising, 758
- Letters to new salesmen, 457
- Letters to sales applicants, examples of, 291
- Letters to salesmen by branch manager, 452
- Letters, claiming too much in, 622
general to salesmen, 897
legibility in salesmen's, 622
- Letterhead, testimonials part of, 794
- Letter-writing, excessive use of by salesmen, 627
- Library Bureau sales forms, 609
- Life insurance sales tactics, 873
- Life insurance salesmen's method of developing leads, 658
- Lighting equipment, questionnaire on, 193
- Link, Dr. Henry C., on training specialty salesmen, 348
- Linoleum merchant's plan of putting samples in farmers' automobiles, 688
- Liquid Carbonic Company's credit hints to salesmen, 733
- Listening, value of good, 905
- Living costs in pictorial chart, 232
- Living standards, cost of new, 62
- Local campaigns, conferences during, 565
- Local organizations, use of, in sales campaign, 839
- Local sales-agent plan compared with representation by retailer, 100
- Location, bearing of on business success, 5
- Loose-Wiles Company's experience with automobiles, 640
- Lorillard, P. & Company's letter to salesmen about price objections, 929
messages to salesmen, 470
use of automobiles, 641
- Lost order form, 256
- Lowe Brothers' view of cost of salesmen's calls, 131
- Loyalty, home office appreciates, 626
- Lubricant salesmen, training of, 323
- Luther Grinder Manufacturing Company's experience with older men as salesmen, 303

- Lutterbach, A. J., on determining quota, 825
 view of arranging budgets, 823
- Lye manufacturer's experience with sales records, 209
- M
- MacIntosh, Charles Henry, views of marketing fundamentals, 6
McCall's Magazine chart, 229
- McGurty, Geo. H., on value of service in selling, 878
- McIntire, W. H., on hastily prepared manuals and courses, 363
- "McKenzie Club" of salesmen, 941
- Machinery and transportation, effect of, 65
- Machinery concern's educational and service work among retailers, 726
- Machinery manufacturer's advertising appropriation percentage, 753
- Machinery manufacturers' caravan tour to sell farm machinery, 782
- Machinery, simplicity of operation aid in selling, 890
- Magic Baking Powder Company's demonstration campaign, 832
- Mail, form for selling on approval by, 776
- Mail-order buying, letter to check, 453
- Mail-order concern's advertising appropriation percentage, 753
- Mail-order division, establishment of reduces sales costs, 135
- Mail-orders, giving salesmen commission on, 498
- Mail solicitations, customer's point of view in, 619
- Mail solicitations from salesmen, 618
- Mail solicitations, getting replies from, 619
- Mailing-lists, blanks for, furnished retailers, 729
- Mailing-lists from retailers, how manufacturers secure, 729
- Mailing-list of jobbers' salesmen, 819
- Mailing-lists of retailers, sending samples to, 691
- Mailing-lists, varnish manufacturer's method of getting, 788
- Mallory Hat Co., experience with increase of dealer representation, 93
- Management control, 16
- Management of salesmen, 403
- Managing conventions, experiences of different concerns, 574
- Manual material, how to secure from salesmen, 321
- Manuals and courses for salesmen, 358
- Manuals written by salesmen, 366
- Manuals, salesmanship instruction in, 390
 who should prepare, 322
- Manufacturers' aids to retail salespeople, 722
- Manufacturers' aids to retailers, 696
- Manufacturer's distribution of the dollar, 69
 average among eight commodities, 71
- Manufacturers' educational work among retailers, 342
- Manufacturer's handbook for salesmen, 818
- Manufacturers' signs for dealers, 708
- Manufacturing methods, knowledge of, by salesmen, 310
- Map, tack and cord system, use of, 258
- Maps in research work, 192
 general use of, 225

- Maps use of, in sales contests, 461-585
- Market analysis, 137
- Market conditions, gathering information on, 160
- Market for goods, convincing dealer of, 879
- Market, saturated, policies for overcoming, 57
- Marketing boards and committees, 12
- Marketing data from salesmen's reports, 601
- Marketing methods, knowledge of by salesmen, 311
- Marketing, simple fundamentals of, 6
- Master salesman, how to become, 896
- Mechanical and electrical salesmen, how trained, 315
- Mechanical products sales manuals, 385
- Memory course, lecture method of selling, 780
- Mennen Company's convention experiences, 577
- Men's clothing, retailer's distribution of dollar, 70
- Men's suits, distribution of consumer's dollar, 81
- Mental attitude of salesmen, 847 developing, 410
- Mental habits, study of, 422
- Menus for sales convention dinners and luncheons, 594
- Merchandise, holders for, 699
- Merchandising aids, selling to dealers, 705
suggestions from manufacturer for use of, 709
- Merchandising methods, review of, 774
- Merchandising plan, general knowledge of by salesmen, 311
- Meredith, E. T., view of consumer acceptance vs. consumer demand, 763
- Metropolitan Life Ins. Company's experience in recruiting salesmen, 269
- Middlemen, question of, 83
- Miller, Franklin, Basset & Company's classification of sales expense, 108
- Miller, O. H., expression on the use of cartoons, 469
- Missionary work, how to get salesmen to do, 435
- Monroe Calculating Machine Company's plan of training salesmen, 328
- Montgomery Ward Company's experience with approval-selling, 775
- Monthly sales report, 613
- Morris & Company's territorial sales conventions, 584
- Motion pictures, showing of, at conventions, 590
- Motives of salesmen, 268
success depends on, 412
- Motor Sales Company's record system, 251
- Motor trucks on farms, 235
- Moving picture as aid in opening new territory, 785
- Moving-picture manufacturer's quota plan, 514
- Multiplex fixture three-panel display, 710
- Municipal regulations of sampling, 692
- Murphy, Jno. A., view of saleswomen, 938
- Murphy, Thos. D. Company's sales manual, 366
- Music at sales conventions, 596

N

- National Advertisers', Association of, chart of sales manual, 360
- National advertising, dealers' support of, 759

- National Association of Credit Men's rules for cost accounting, 109
 view of credit man, 732
- National Automobile Chamber of Commerce research findings, 151
- National Biscuit Company's educational work among retailers, 725
- National Cash Register Company's compensation methods, 497
 chart of sales departments of future, 41
 convention experiences, 577
 course for salesmen, 374
 demonstration rooms, 883
 five-point demonstration, 884
 method of reducing sales costs, 121
 method of selecting salesmen, 282
 plan of taking care of convention attendants, 591
 school for salesmen, 374
- National Carbon Company, method of selecting retailers, 100
- National City Company's method of training salesmen, 340
- National Dairy Council's cooperative campaign, 839
- National Druggists' Association on educational methods, 343
- National Hardware Association selling costs, 122
- National Hardware Association's review of automobiles used by hardware salesmen, 644-645
- National Lamp Works' chart, 239
- National Lead Company's book for painters, 821
 house organ for dealers and jobbers, 819
 promotional work, 818
- Negative attitude of buyer, overcoming, 874
- Negative salesmanship, 857
- Negroes, experiences in selling to, 283
- Nerve, need for, in salesmanship, 846
- New business, establishment of, 142
- Newman, Jos. A., bulletins to salesmen, 470
 letter to salesmen about price objections, 929
- New models, featuring of, at conventions, 580
- New product, interesting dealers in, 833
 method of introducing, 869
- New products, introducing through combination sales, 687
- New salesmen, letters to, 457
 testing, 305
- News from field, reflecting in letters to home office, 624
- News items, use of by salesmen, 857
- Newton, L. L., experience with older men as salesmen, 303
- Newspaper, letter to, in securing new dealers, 653
- New York merchant's views on quality buying, 50
- New York Telephone Company's chart of telephone-selling, 945
- Niagara Paper Mills' compensation methods, 495
- Nichols, G. A., on training tractor salesmen, 353
- Nordyke & Marmon Company's lead-creating letter, 652
- North American Lace Company's distribution method, 91
- Northam Warren Company's view of women sellers, 939
- Northway Motors Sales Company, prospective-customer record form, 255
 salesmen's report form, 253

- Novelties made from product, sampling value of, 672
- Novelties, offering of, to secure names or leads, 667
- N. Y. Agricultural College's view of cooperating with manufacturers, 104
- N. Y. Edison Company's educational methods, 338
- N. Y. University report on determining of quotas, 511
- review of checking up on calls, 245
- view of Procter & Gamble distribution methods, 87
- O
- Objection to price, overcoming, 925
- Objections, dealing with, 845
- overcoming, 876
- Obstacles, how salesmen overcome, 853, 876
- Office appliance method of reducing sales costs, 121
- Old salesmen, dealing with, 432
- Older men as salesmen, experiences with, 303
- Oliver Typewriter Company's quota club, 517
- One-man authority of sales and advertising, 29
- One-man control, advantages and disadvantages, 12
- Openings, negative, 857
- Openings of salesmen, pointed, 855
- Operating expenses, summary of, 210
- Order blank and envelop combined, 864
- Order blank combined with letter, 865
- combined with price list, 865
- legal phraseology in, 864
- postal card form of, 864
- Order blanks that help salesmen, 863
- Order book, avoid abrupt showing of, 872
- Orders, analysis of by grocery jobber, 254
- checking of, against stock, 607
- daily analysis of, 254
- getting, by mail, 474
- reforming the salesman who finds it hard to get, 433
- shipment of, 630
- Oregon Dept. of Agriculture's view as to service of county agents, 103
- Organization, chart showing various functions of, 4
- Organization charts, 11, 14, 15, 19, 20, 25
- Organization in salesmanship, 1
- Organization, need for, 7
- purposes of sales, 10
- Orr, Louis T., defines salesman's proper mental attitude, 847
- Ostendorf Motor Car Corporation's compensation methods, 488
- Outdoor sales conventions, 582
- Outline maps as charts, 228
- Overalls manufacturer's experience with selling expense, 113
- Overhead expenses, distribution of, in quotas, 506
- Overstatement in letters, 622
- Overstatement, danger of, 909
- P
- Package, distinctive, value of, 785
- Package selling, changing from bulk to, 783
- Packages of one product afford means of advertising another, 784
- Packages should give principal argument for goods, 707
- Packages, planning of, 707
- small ones aid in introducing larger, 784

- Packaging increases sales, 783
- Packard Motor Car Company's educational methods, 338
- Paint concern's research methods, 160
- Paint Manufacturers' advertising appropriation percentage, 753
method of determining advertising appropriation, 749
method of figuring cost per call, 131
- Paint salesmen, training of, 336
training of retail, 345
- Painters, paint manufacturer's book for, 821
paint manufacturer's relations with, 821
- Palmolive Company's advertising and sales appropriation methods, 749
method of arranging budgets, 823
method of determining quota, 825
monthly sales progress form, 829
sales campaign, outline of, 823
- Paper manufacturer's chart, 208
- Paraffine Companies "lost order" form, 256
- Parker Pen Company's "Trip-around-the world" contest, 545
- Parlin, C. C., review of small town buying, 49
tells how to present recommendations, 191
- Parsons' Household Ammonia related-products window-display, 714
- Patterson, F. H., on buying from salesmen, 858
- Payment, value of prompt, in maintaining credit, 739
- Peggy Paige Company's "bicycle race" contest, 548
- Pennsylvania Salt Manufacturing Company's experience with sales records, 209
- Percy, Carl, Counter card of, 698
three-panel display from, 708
- Persistence, examples of, 425
value of to salesmen, 424
- Phonograph concern's lost opportunity, 140
- Phonograph dealer's sales tactics, 870
- Photographic salesmen, training of, 341
- Photoplating Company's small display cases for retailers, 718
- Pictures, value of in retail selling, 697
- Pierce, Wm. B., Company's letter series for developing leads for salesmen, 651
- Planning and control chart, 37
- Planning boards and committees, 13
- Point system in sales contests, 546
of compensation, 483
used in bank contest, 814
used in determining quotas, 508
- Pointed sales talk, 860
- Portfolios or exhibits of advertising for salesmen, 759
- Portland cement company's distribution history, 86
- Portland cement selling costs, 126
- Postal card canvass to aid personal salesmanship, 787
- Postal card order-forms, 864
- Posters and cards of testimonials, 794
used in dairy campaign, 840
- Posters and hangers for retailers, 711
- Postometer, model mailing room for demonstrating, 883
- Postponing buyers, how to deal with, 872
- Preliminary work, how to get salesmen to do, 435
- Premium and sampling plan combined, 674
- Premiums as aid to selling, 780

- Premiums, bargains and discounts in selling, 773
- "President's Cup" sales contest, 551
- Price, dealing with high, 925
- Prices, charting rise and fall of, 238
trend of, 231, 233
- Price-list, combining with order-blank, 865
- Pride of possession, appealing to 931
- Prindle, Frank M. & Company's training of retail salesmen, 344
- Printed matter for conventions, 590
- Printed matter, Waste of eliminated, 631
- Printers' Ink*, view of sales costs, 126
view of women sellers, 938
- Printing sales costs, 124
- Printz-Beiderman Company classifies women buyers, 205
- Prizes and commissions, awarding of to retail salespeople by manufacturers and jobbers, 356
- Prizes and souvenirs at conventions, 595
- Prizes given bank contestants, 814
- Prizes to salesmen, 534
- Procter & Gamble, change of distribution plan, 85
"daily dozen" for salesmen, 434
method of selecting salesmen, 276
picturing of product at sales convention, 595
sampling method, 678
- Product or business, thorough knowledge of, by salesmen, 310, 420, 448
- Product, color of, as aid in selling, 786
convincing buyer of, need of, 890
- Product, method of getting prospect to handle, 867
method of showing need of, 880
- Product, pictures of, aid in retail selling, 697
- pushing one, at expense of another, how to overcome, 787
- selling small packages of, aids in promoting, 784
- showing part of, as means of selling, 868
- showing uses of, aids in selling, 789
- summing up sales points of, 876
- Products, demonstration of, 883
facilitating sale of, by advertising, 764
handbook on, for salesmen, 818
how to familiarize salesmen with, 421
illustrating of, at conventions, 595
nationally advertised, easiest to sell, 765
new plan of selling old, 773
showing of, 871
specifying of by technical men and purchasing agents, 848
- Production methods, old and new, 64
- Profit figures in specialty stores, 127
- "Profit Trunk" of clothing manufacturer, 684
- Profits checked against sales and sales expense, 631
- Profits, credit men's formula for figuring, 109
- Program, outline of sales convention, 572
printing of for sales conventions, 590
- Promoting one product by means of another, 784
- Promptness of salesmen in writing home office, 623

- Promptness, value of in beginning conferences and conventions, 570
- Proofs of advertising for salesmen, 759
- Pro-phy-lac-tic Tooth Brush display case, 719
- Prospective customers, keeping record of, 255
- Psychology, teaching salesmen fundamentals of, 422
- Public speaking instruction, value of, for salesmen, 429
- Publicity, general, percentages spent for, 131
planning of, 744
- Publisher's daily report form, 614
- Pulfer, F. H., comments on sales contests, 552
- Purchasers, study of in approval-selling, 778
- Purchasing agents, dealing with, 847
- Purchasing authority, result of questionnaire to determine real, 848
- Pyrene Manufacturing Company's compensation methods, 497
- Q
- Quaker Oats Company's method of distributing samples, 676
- Qualifications of salesmen, 289, 309, 317, 406
- Qualities of salesmen, plus and minus, 273
- Quality goods, demand for, 49
- Quality vs. price, 925
- Question-and-answer style of sales manuals, 389
- Questions for salesmen to ask themselves, 933
- Questionnaire, postal card form of, 181
- Questionnaire from manufacturer to dealers on aids furnished, 726
- Questionnaire method of securing sales manuals material, 370
- Questionnaire on experiences in selecting salesmen, 298
on farm lighting equipment, 193
on motor trucks, 196
on rugs, 205
on salesmen's use of automobiles, 637
to purchasing agents and technical men, 848
assembling information from, 193
- Questions to ask sales recruits, 272
- Quota, examples of, 507
method of determining, 825
study of uses of products helps to determine, 503
territory helps to determine, 503
- Quota campaign, 798
- Quota chart, 810
- Quota clubs, establishment of, 517
- Quota contest, picturing percentage standings in, 810
standing of branches in, 801
- Quota methods and plans, 505
- Quota systems and standard tasks, 502
- Quotas, American Radiator Company's method of assigning, 515
distribution of overhead expense in, 506
need for accurate information in determining, 505
point system used in establishing, 508
- Quotas among coffee roasters and grocers, 511
- Quotations from dealers and consumers in salesmen's letters to the home office, 627
- R
- Raisin growers educational work among retailers, 726

- Ralston Purina Company organization, 13
 qualifications of salesmen, 278
- Ramsey, Robt. E., view of house organs for salesmen, 451
- Rand & McNally analysis form, 182
- Rankin, Wm. H., gives qualifications of successful salesman, 406
- Rating of customers for credit, 736
- Rauh & Mack Shirt Company's traveling sample kit, 683
- Raw materials, knowledge of, by salesmen, 310
- Real estate compensation methods, 494
- Reasons for buying, correspondence school's review of, 178
 how to ascertain, 178
 value of ascertaining, 912
- "Record-breakers' Association," 518
- Records, charts of salesmen's, at conventions, 564
 salesmen's, dealers' and others, 244
- Record form for prospective customers, 255
- Record of sales, 247
- Records of men, featuring, in contest, 804
- Records of salesmen, need for keeping, 309
- Records of salesmen, reviewing of, at conventions, 564
- Records in sales department, 201
- Records vs. reports, 189
- Recruiting of salesmen, 267
- References in determining credit, 740
- Refusals to buy, how to overcome, 853
- Related sales, fixtures that help the retailer to make, 713
- Remington Arms Company's distribution plan, 92
- Remington Arms Company's experience in reducing products, 116
- Remington Typewriter Company's compensation method, 481
- Report form, Northway Motors Sales Company's, 253
- Report forms for salesmen, 611
- Reporting on sales not made, 603
- Reports and letters of salesmen, 599
- Reports and records, definition of, 190
- Reports from sales, facilitating, 600
- Reports, how to present attractively, 187
- Reports of sales conventions, value of, 571
- Reports of salesmen, daily or monthly?, 602
 incomplete or slovenly, 440
 to branch office, 601
 what they should contain, 599
- Research, advertising agency outline of, 169
 composite outline of, 169
 examples of, 164
 federal, state and other reports used in, 162
 forms used in, 181-186
 maps aid in, 192
 methods of conducting, 148
 postal card method of, 181
 questionnaire style of, 160
 what a roofing manufacturer finds by, 155
 what it may reveal, 164
- Research and analysis, need of in selling, 137
- Research data, classification of, 191
 example of using, 153
 methods of showing, 143-144-187
 different sources of, 167
- Researches, discounting views gained by, 150
 gathering data for, 150

- Research findings, how Curtis Publishing Co. presents, 191
 Research findings of National Automobile Chamber of Commerce, 151
 Research methods, 145
 of advertising agencies, 166
 of large paint company, 160
 Research questionnaire used by pancake flour manufacturer, 177
 Research questions of Geo. Batten Company, 168
 Research to learn reasons for buying, 178
 Research work of sales department, 40
 Retail aids, how to increase appreciation of, 721
 Retail clothier's distribution of the dollar, 70
 Retail buyers, earning confidence of, 858
 Retail contests, featuring in window-displays, 713
 Retail courses and manuals, 395
 Retail display aids, essentials of good, 706
 Retail display card or poster, layout for, 709
 Retail display effort, cooperative 703
 Retail display fixtures, 697
 Retail displays, payment for by manufacturers, 705
 Retail dry goods chart of buying and selling price and margin, 77
 Retail electrical salesmen, training of, 348
 Retailer representation compared with sales-agent plan, 100
 Retail grocers' buying and selling price and margin, 78
 Retail grocers' stock turn, 75
 Retail grocer, turnover recommendations by Joint Commission of Agricultural Inquiry, 68
 Retail hardware, buying and selling price and margin, 79
 selling costs, 125
 Retail leads, method of developing, 662
 Retail manuals and courses, 395
 Retail merchandising aids, selling to dealers, 705
 Retail paint salesmen, training of, 345
 Retail sales, comparison of, 238
 variation of, 223
 Retail sales helps sent out by manufacturers, 722
 Retail sales manuals and courses, 395
 Retail salesmen, bonuses to, by manufacturers, 356
 conventions for, 585
 cooperation of manufacturers in training, 344
 cooperative educational methods for training of, 343
 manufacturer organizing clubs among, 354
 manufacturers' courses for, 400
 manufacturers' educational work among, 342
 manufacturers' house organs for, 344, 354
 manufacturers' salesmen work with, 355
 training of, 342
 Retail salesmen's contest, 555
 Retail salespeople, awarding of prizes to by manufacturers and jobbers, 356
 manufacturers' aid to, 722
 women as, 936
 Retail selling, counter-display in, 697
 Retail shoeman's distribution of the dollar, 71

- Retail shoe-dealers' stock turn, 76
- Retailers, counter cabinets and show-cases for, 717
- Hangers and posters furnished by manufacturers, 711
- helps for, common weaknesses of, 701
- manufacturers' aid to, 696
- reaching through service salesmanship, 881
- selecting of, by Butler Brothers, Hart, Schaffner & Marx, Kaynee Company, Hoosier Mfg. Co., American Ever Ready Works, National Carbon Company, 100
- show-cards for, 711
- showing need of sales aids to, 704
- transparent signs for, 708
- Retailer's advertising, coordinating with manufacturer's, 728
- salesman's part in inducing, 758
- Retailers' advertising aids, salesmen's and dealers' views of, 768
- Retailers' display fixtures, some reasons why unused, 702
- Retailers' display space, dominating of by manufacturers, 706
- Retailers' exhibits, cooperative, 722
- Retailers' mailing-lists, blanks for, 729
- sending samples to, 691
- Retailers' windows, attitude toward, 702
- Retailers' sales aids, how manufacturers' salesmen may show need of, 704
- Retailer's selling effort compared with jobber and wholesaler, 97
- Retailer's showing of goods increases sales, 871
- Retailers' support of national advertising, 759
- Retailers' use of demonstration cars, 720
- Retailing, observations of Joint Commission of Agricultural Inquiry, 67
- Review of salesmanship qualities, 933
- Ribbon-bar method of showing sales records, 265
- Rise and fall of sales, charting, 228
- Robbins, L. G., vacation prize contest for salesmen, 536
- Roofing manufacturer, change of policy to sell only his own brand, 58
- quota methods, 503
- research data, 155
- Route list, careful planning of reduces expenses, 630
- Route to consumer, simplification of, 86
- Routing of salesmen shown by maps and cord, 259
- Rural purchases of today, 49
- Russell, Frederick C., on automobile dealer's method of securing names of prospective purchasers, 865
- Russia Cement Company's Saturday selling, 479
- Ruts, getting salesmen out of, 669
- S
- Sabetha, Kansas, home equipment of, 237
- review of goods purchased, 49
- Salada Tea Company's compensation methods, 497
- Salary and bonus compensation, 481
- Salary and commission compensation, 481
- Salaries of salesmen, 480
- Sales agencies, contests among, 546
- exclusive, 830
- securing through letter to newspaper, 653
- Sales agencies, maps to indicate, 261

- Sales agency agreement, 296
- Sales agency, application for, 296
- Sales-agent plan of representation, 100
- Sales analysis, 137
- Sales and advertising expense analyzed together, 110
- Sales and operating expense of electrical houses, 210
- Sales and profit figures, specialty stores, 127
- Sales and profits checked against salesmen's expenses, 631
- Sales applicants, interviewed by salesmen, 279
- letters to, 291
- questions to ask, 272
- testing of, 273, 302
- Sales arguments, repetition of important, 443
- standardized, 442
- visualizing, 886
- Sales, boosting of through free trial offer, 779
- Sales bulletins, illustration for, 812
- Sales campaign, definite purposes of, 799
- distinctive features of, 772
- essentials of good, 832
- National Lead Company's, 818
- of bank, 813
- Sales campaigns and plans, 771
- Sales campaigns, examples of, 798
- items most frequently considered in determining, 750
- Sales, closing of, 920
- Sales compared with possibilities, method of showing, 247
- Sales conditions, how to chart, 206
- Sales contests, 522
- adaptability of, 523
- book company's view of, 529
- bulletins in, 461
- directing of, 533
- district men informed as to progress of, 533
- dividing into periods, 538
- Sales contests, examples of, 535
- opposing opinions as to, 527
- outlines of, 536
- paper manufacturer's view of, 527
- point system used in, 546
- prizes offered in, 534
- review of, by sales director, 531
- what they may accomplish, 522
- why some firms dislike, 526
- reasons why they fail, 524
- Sales control, centralization and decentralization, 16
- Sales convention dinners and luncheons, menus for, 594
- Sales convention methods and ideas, 589
- Sales convention, programs for, 590
- outline of, 572
- Sales conventions accomplish what?, 567
- Sales conventions, advertising plan explained at, 586
- credit information at, 586
- entertainment at, 597
- experiences of well known concerns with, 574
- Sales conventions and conferences, 559
- successful, how to make, 567
- Sales conventions for retailers, 585
- Sales conventions, having salesmen participate in discussions at, 563
- illustrating products at, 595
- knockers' session at, 571
- length of, 591
- limiting discussions at, 581
- managing of, 574
- motion pictures shown at, 590
- preparing for and managing, 574
- psychology of, 559
- salesmen should aid in forming plans for, 559
- stenographic reports of, 571

- Sales conventions, stunts for, 593
 successful experiences of salesmen outlined at, 563
- Sales cost data sales managers should have, 110
- Sales cost, direct advertising reduces, 135
 figuring by calls, 131
 how increasing salesmen reduces, 135
 paint company's method of figuring by calls, 131
- Sales costs per call, 131
- Sales department, personnel of, 28
- Sales department records, 201
- Sales departments of future, National Cash Register Company chart, 41
- Sales efforts of jobber, wholesaler, retailer, 97
- Sales engineer, prospectus chart of, 36
- Sales engineering departments, 33
- Sales expense, causes for increase in, 113
 chart of, 112
 classification of, 108
 forms for keeping of, 134
 summary of, 210
 what budgeting of, accomplishes, 133
 what to include in, 107
- Sales field, how to investigate, 204
- Sales ideals of loose-leaf binder concern, 58
- Sales in relation to purchasing power of city, 248
- Sales managers, qualifications of, 30
 qualifications of assistants, 33
 why they fail, 32
- Sales manual chart, 360
- Sales manuals, charts as features of, 390
 essentials of, 359
 examples of humorous, 373
- Sales manuals, giving experiences of salesmen in, 369
 how to get material from salesmen for, 321, 369
 how to get used, 364
 humor in, 373
 instalment furnishing of, 388
 material for, 362
 outline of, 377, 383
 physical features of, 390
Printers' Ink essentials of, 359
 question-and-answer style of, 389
 reportorial ability aid in compiling, 322
 size of, 390
 special pages increase reference to, 365
 testimonials in, 792
 what to include in, 390
 who should prepare, 322
 why not used, 363
- Sales manuals and courses, 358
- Sales manuals for mechanical products, 385
- Sales manuals of technical products, 385
- Sales manuals written by salesmen, 366
- Sales not made, report of, 603
- Sales operating function, chart of, 37
- Sales organizations, weaknesses of, 435
- Sales plans and campaigns, 771
- Sales plans, review of effective, 774
- Sales policies, distinctive, 43
- Sales progress, form for analyzing, 829
- Sales qualifications, 309
- Sales record card, 247
- Sales records increase business, 209
- Sales records, using ribbon-bar method of showing, 265
 what Palmolive Company's show, 825

- Sales research, sources of, 142-146
 what it may show, 140-164
- Sales tactics, successful, 842
 unusual, 859
- Sales talk, standardized, based on
 advertising, 768
- Salesman's canvass, definiteness in,
 855
- Salesman's knowledge of his prod-
 uct, 448
- Salesmanship as related to adver-
 tising, 753
- Salesmanship, chart of essentials
 of, 411
 definition and accomplishments
 of, 1
 review of, 933
 essentials of, 421
- Salesmanship in America, statisti-
 cal review of, 60
- Salesmanship instruction, methods
 of, 313
 preparing of, 322
- Salesmen, advertising for, 284
 appearance of, 446
 appearance and fitness of, 409
 bulletins, material for, 445
 checking up calls of, 245
 courses and manuals for, 358
 "daily dozen" for, 434
 dealing with different types of,
 429
 directing and developing of, 403
 dress of, 409
 educating of, 307
 experiences in employing, 302
 finding of, in rural territory,
 279
 hints for, 896
 how one sales manager judges,
 272
 introspection of, 412
 management of, 403
 manuals and courses for, 358
 mental attitude of, 410
 messages that stir enthusiasm
 of, 799
- Salesmen, motive for becoming, 268
 physical qualifications of, 409
 qualifications of, 269, 406
 rating of, by plus and minus
 qualities, 273
 recruiting of, 267
 requirements for, 267
 selecting of, experience of promi-
 nent concerns, 276
 self-analysis of, 316, 413
 system in work of, 437
 testing of, 305
 things that develop, 420
 training of, 307
 training of, by other salesmen,
 341
 turnover of, 308
 twelve points for success of, 434
 types of, 419
 what to instil into, 406
- Salesmen's accommodations at
 conventions, 591
- Salesmen and the credit depart-
 ment, 732
- Salesmen as letter-writers, 618
- Salesmen's automobile accidents,
 responsibility for, 643
- Salesmen's calls, cards that pave
 the way for, 466, 666
- Salesmen compared with actors,
 444
- Salesmen's compensation, 480
- Salesmen's contract, covering ex-
 pense account in, 629
- Salesmen's contracts, 480, 409
- Salesmen's drawing accounts, 483
- Salesmen's embarrassing experi-
 ences, 845
- Salesmen's expense accounts, 629
- Salesmen's expenses, careful plan-
 ning of route reduces, 630
 checked against sales and profits,
 631
 contest for lowering of, 630
 daily, weekly, monthly or yearly,
 633
- Salesmen given too big a list, 505

- Salesmen's ideas, review of at conventions, 588
- Salesmen's itinerary, checking of, 608
- Salesmen of jobbers, handbook for, 819
- Salesmen's knowledge of advertising, 753
- Salesmen's knowledge of products, 421
- Salesmen's letters, brevity in, 624
promptness in, 623
separate for different topics, 623
- Salesmen's letters to customers, customer's point of view in, 619
style of language for, 621
- Salesmen's letters to the home office, 622
- Salesmen's qualifications, chart of, 317
- Salesmen's quotas, establishing, 502
- Salesmen's record of customers, 606
- Salesmen's records, charts of, used at conventions, 564
reviewing of, at conventions, 564
- Salesmen's report data, card index of, 251
- Salesmen's report forms, 609
- Salesmen-report system of calendar manufacturer, 604
- Salesmen's reports and letters, 599
- Salesmen's reports to branch office, 601
- Salesmen's reports, color differentiation in, 606
facilitating, 600
filing of, 608
forms of, 611
incomplete or slovenly, 440
marketing data from, 601
reflection of loyalty and willingness in, 626
what they should show, 244
- Salesman's speech, 447
- Salesmen's stationery for customers, 606
- Salesmen training themselves, 314
- Salesmen's automobiles, insurance on, 642
makes found best for, 643
review of experiences with, 639
- Salesmen's use of automobiles, 636
- Salesmen's use of testimonials, 789
- Salesmen's weak points, helping to overcome, 419
- Saleswomen, *Printers' Ink* view of, 938
- Sample books for merchants' use, 689
- Sample case, trick, 868
- Sample-distributing organizations, experiences with, 691
- Sample-distributors, supervision of, 682
- Sample kits as means of covering rural territory, 684
- Sample-room displays, arrangement of, 693
- Sample-room selling, 692
- Samples, arrangement of for jobbers, 699
cost and distribution of, 676
distributing through Rotary, Kiwanis and other clubs, 687
distribution methods, 676
distribution of, through traveling kits, 683
distribution of, to business men, 687
effective distribution of, 699
getting inspection of, 868
offering of, to induce leads, 667
sending of, to selected names, 691
set of, as method of distributing, 685
- Samples and demonstrations create leads, 655

- Samples and literature distributed together, 692
- Samples and sampling, 671
- Samples of hosiery for jobbers, 699
 of product put in farmers' automobiles, 688
 to children, 680
 to seemingly idle inquirers, 680
- Sampling, advertising to supplement, 682
 appeals to several senses in, 671
- Sampling and premium plan combined, 674
- Sampling by means of 10-cent packages, 686
- Sampling, combination sales to introduce new products, 687
 cooperative, 685
 coupon method of, 678
 experiences with, 672
 how cost of, is charged, 691
 methods of distributing, 676
 miscellaneous experiences with, 672
 municipal regulations of, 692
 unusual methods of, 683
- Sampling in schools, 680, 692
- Sampling on the street, 678
- Sampling plans, distinctive, 683
- Sampling through cooperation of manufacturers with dealers, 685
- Sampling through demonstrations, 692
- Sampling through newspaper advertisements, 678
- Sampling through novelties made from product, 672
- Sampling through selected dealers, 680
- Santox Company's cooperation in training retail salesmen, 344
- Saturated market, policies for overcoming, 57
- Saturday selling, 474
- Scales manufacturer's sales tactics, 872
- Scheduling of work by salesmen 437
- School blackboards, color as an aid in selling, 786
- School children, sampling through, 680
- School, college and university enrolments, 236
- School posters of dairy campaign, 840
- Schools, dairy campaign's work among, 840
- Schools for retailers, 351
- Schools, sampling in, 692
- Schools, traveling photographic training, 341
- Scientific American* chart, 232
- Score-board used by bank during contest, 817
- Scott Paper Company's convention for jobbers' salesmen, 581
- Scranton Lace Company's sample counter book, 689
- Scrap-books of advertising for salesmen, 759
- Scrap-books, use of, by salesmen, 857
- Sears, Roebuck Company's experience with approval selling, 775
 form for selling on approval by mail, 776
- Seeds displayed in cases or on stands, 719
- Self-analysis charts, 316, 414
- Selecting of salesmen, 267
 aid of advertising, 284
 result of questionnaire on experiences in, 298
 use of letters in, 282
 using older men as scouts, 280
- Selfridge Store's view of women salespeople, 937
- Self-satisfied salesmen, dealing with, 432
- Selling by mail on approval, 776
- Selling by use of automobile, 636

- Selling costs, 106**
 analysis of retail hardware, 125
 causes of high, 114
 how to lower, 115
 in groups of wholesaling and retailing, 122
 methods of reducing, 121
 range of, 121
 reduction of products or styles reduces, 116
 relation of production to, 112
 research findings on, 128
 table of retail, 126
- Selling costs in representative lines, 129**
- Selling costs of staples vs. specialties, 126**
- Selling expense, tracing by chart, 111**
- Selling in sets, 781**
- Selling in the sample room, 692**
- Selling methods, review of, 774**
- Selling on approval, 774**
 forms of, 777
- Selling plan, value of new, 771**
- Selling points, hammering home of, 768**
- Selling, service as an aid in, 783**
- Selling talk, need for pointed, 855**
- Selling, telephone in, 945**
- Selling to industrial concerns, 848**
- Selling to purchasing agents and technical men, 847**
- Sensational selling methods, 859**
- Senses, appeals to several in sampling, 671**
- Sensitive salesmen, dealing with, 432**
- Service in selling, 878**
 exploiting of as aid to selling, 783
 instance of loss of good-will by lack of, 56
- Service in retail selling, 881**
- Service in selling wall-paper, 785**
- Service on technical product aids in selling, 784**
- Service salesmanship, balm for mishaps, 45**
- Servicesalesmanship to retailers, 858**
- Service salesmanship, general benefits of, 48**
- Sets, selling in, 781**
- Shaving cream manufacturer's sampling method, 678**
- Shawmut Company's use of salesmen's daily reports, 602**
- Shaw, A. W., selling cost investigation, 122**
- Shaw-Walker Company's convention experiences, 576**
- Sherwin-Williams Company's educational methods, 336**
 educational work among dealers, 347
 report forms, 611, 612
 sample counter book, 689
 training of retail paint salesmen, 345
- Shipping department, control by sales department, 30**
- Shivers, Herbert D., experience with approval-selling, 775**
- Shoe-dealers' stock turn, 76**
- Shoe retailer's distribution of the dollar, 71**
- Shoe salesman's method of producing leads, 655**
- Shoes, distribution of consumer's dollar, 73**
- Short, D. L., view of women vs. men in sales work, 940**
- Show-cards, utility of, for retailers, 711**
- Show-card writing helps salesman, 881**
- Shredded Wheat Company's compensation methods, 497**
 experience in sampling, 672
- Shur-On Optical Company's method of selecting salesmen, 278**

- Signs and texts used in convention rooms, 569
- Signs for retailers, transparent, 708
- Silk cloth and spool silk, distribution of manufacturer, 96
- Silk manufacturer's training of retail salesmen, 344
- Sill Stove Works' method of determining advertising appropriation, 747
- Silos, number in U. S., 216
- Simonds Mfg. Company's experience with automobiles, 640
- Simmons Hardware Company's motto, 932
- Simplicity of operation aid in selling machinery, 890
- Simpson, J. B., agency agreement form, 297
- Sinclair Refining Company's experience with women service-station attendants, 937
- Slumps, budget system checks, 827
- Slump of new product, checking of, 828
- Small-town buying of present, 49
- Soap manufacturer's sales contest, 539
- Soliciting and distributing plan, development of, 663
- Sources of business, how to get salesmen to cultivate, 436
- Southern Cotton Oil Company's jobber distribution, 91
- Souvenirs and prizes at sales conventions, 595
- Speakers at sales conventions, 592
- Specialties, selling cost of, compared with staples, 126
- Specialty salesmen, college students as, 334
 - home office training of, 325
- Specialty salesmen's work among retail salesmen, 355
- Specialty selling, value of retail experience in, 281
- Speech of salesmen, 447
- "Sphinx" buyers, salesmen's problem with, 844
- Spirella Company's view of women sellers, 939
- Sprayers, seasonable advertising of, 242
- Spreidit Nut Margarin demonstration and movie film, 786
- Squibb, E. R. & Son's card for announcing call of salesman, 796
 - quota plan, 511
- Standard Farm Papers charts, 220, 230, 241, 242, 243
- Standardization, advantages of, 119
- Standardization of products, U. S. Chamber of Commerce on, 117
- Standardized sales talk, argument for and against, 442
- Standardized sales talk based on advertising, 768
- Standards of living, cost of new, 62
- Stanley garage hardware display feature, 699
- Staples, selling cost of compared with specialties, 126
- State Bank of Chicago contest clock chart, 816
- State colleges, working in cooperation with, 101
- Statistics, range of, 201
 - too abundant, 203
 - too meager, 202
- Statistics from automobile dealers, 212
- Statistics in sales department, 201
- Statistics on coal mining, 211
- Steffey, C. E., chart of sales departments of future, 41
- Stevenson, John A., on training insurance salesmen, 319
- Stickers on packages to advertise other products, 784
- Stimulating salesmen, 827
- Stimulating salesmen by direct-mail campaign, 458

- Stock turn of retail grocer, 75
 Stock turn of retail shoe-dealers, 76
 Stock turn of wholesale grocers, 74
 Stove salesmen, training of, 325
 Strategy and diplomacy of salesmen, 917
 Strategy, use of, by salesmen, 914
 Street-car cards, use of as store-displays, 711
 Street-sampling, 678
 Studebaker Company's salesmen's report card, 607
 Stunt or sensational demonstrations, 866
 Sturtevant Company's chart, 231
 compensation methods, 497
 Suggestion, use of, by salesmen, 423
 value of in training salesmen, 418
 Suggestions from salesmen, welcomed by sales dept., 625
 Sun Maid Raisin Growers educational work among dealers, 726
 Supervision of salesmen, methods of, 403
 questions to be considered in, 403
 Supervision of sampling crew, 682
 Supervisors and demonstrators aid in training salesmen, 311
 Survey or analysis, what it should show, 148
 Sweater manufacturer, distribution plans, 94
 Swift & Company's method of selecting salesmen, 276
 System in salesmanship, value of, 437
- T
- Tableaux, use of in sales conventions, 582
 Tack and cord systems, 258
 Tacks and pins, variety of, 264
 Tactics of salesmen, 842
 unusual, 867
- Tact in answering customers' letters, 620
 Tailor's sampling letter, 675
 Talking machine concern's experience, 140
 retail educational work, 353
 salesman's lead-securing work, 662
 Task-and-bonus system of compensation, 481
 Taylor Society's review of research work, 173
 Teaching salesmen, methods of, 315
 Technical groups, manufacturer's house organ contact with, 820
 Technical men, dealing with, 847
 Technical products sales manuals, 385
 Technical products, service aids in selling, 784
 Technical salesmen, how trained, 315
 Telegrams, use of in contests, 811
 Telephones, chart of world, 221
 objections to use of in selling, 947
 overuse of in selling, 948
 use of in drug selling, 950
 value of in selling, 945
 Telephone campaigns, successful, 946
 Telephone helps sales manager, 949
 Telephone salesmanship, 945
 hints on, 949
 weak points of, 947
 Territorial analysis form, 186
 Territorial conferences, Morris & Company's experience, 584
 Territorial conventions, simultaneous, 592
 Territorial records for salesmen, 250
 Territory, covering with sample kits, 684
 division of, 504

- Territory, getting salesmen to cover, properly, 669
 moving picture as aid in opening new, 785
 study of, helps determine quota, 503
- Territory of salesmen shown by maps, 263, 265
- Testimonials, as follow-up, 794
 as part of letterhead, 794
 as posters, window-cards, etc., 794
 emphasizing points in, 790
 how to secure, 789
 indexing of, 792
 in sales manuals, 792
 in selling, 789
 mailed by salesmen, 793
 on blotters, 794
 overuse of, 793
 photographing of, 791
 salesmen furnished with portfolio of, 791
 that bring results, 790
 to pave way for salesman's call, 793
- Testing sales applicants, 273, 302
- Textile manufacturers, distribution plans, 94
- Textile manufacturer's use of trade map, 262
- Three-panel style of window-displays, 707
- Thermometer and clock record chart, 816
- "Thermometer-busting" contest, 541
- Thermos bottles, demonstrating, 891
- Thompson, J. Walter Company's advice to salesmen about advertising, 766
- Tide Water Oil Company's course for salesmen, 378
- Time payments, getting full cash for, 788
- Time-wasting by salesmen, 441
- Timidity of salesmen, how to overcome, 427
- Tire manufacturers' advertising appropriation experiences, 752
- Tobacco company's selection of salesmen, 304
- Todd Protectograph Company's review of salesmanship essentials, 421
- Toledo Scale Company's educational methods, 329
- Tool and die manufacturer, chart of, 14
- Tooth-paste manufacturer's method of distributing samples, 677
- "Torture test" demonstration, 891
- Tractor manufacturer's educational work among retailers, 351
- Trade advertising, National Lead Company's, 819
- Trade bulletins sent out by manufacturer, 722
- Trade-marked goods, multiplication of, 66
- Trade paper editor's view of standardized sales talk, 443
- Training salesmen, cooperation between manufacturer and retailer, 344
 courses, classes and conventions, 311
 experiences, 327
 need for simplicity and tact, 312
 need of, 309
 Portland cement company's method, 318
 review of representative methods, 315
- Transparent signs for retailers, 708
- Transportation and machinery, effect of, 65
- Transportation of men to conventions, 591

- Traveling expense of salesmen to conventions, 591
- Traveling sample kit of shirt manufacturer, 683
- Trend in prices, 231, 233
- Trip-around-the-world contest, 545
- Trips, careful planning of reduces salesmen's expenses, 630
- Truth, value of in selling, 909
- Tucker, Richard E., on qualities of salesmen, 273
- Turnover, advertising as an aid to, 764
- Turnover for retail grocer, recommendation by Joint Commission of Agricultural Inquiry, 68
- Turnover of salesmen, Dartnell Corporation's review of, 308
- Tyler, W. S., Company's view of good-will, 55
- Typewriter concern's advertising appropriation percentage, 753
- Typewriter concern's method of reducing sales costs, 121
- Typewriter salesman's tactics to secure decision, 876
- Types of salesmen, difference in, 429
- U
- Undertaking-supplies manufacturer's compensation methods, 493
- Union Trust Company's contest score-board, 817
- "World series" contest, 816
- United Drug Company's contest among retail salesmen, 555
- educational work among retailers, 350
- United Y. M. C. A. Schools' hints on public speaking, 429
- questionnaire among students, 178
- sales contest, 541
- self-analysis chart for salesmen, 414
- U. S. Government findings on salesmanship, 60
- U. S. Gypsum Company's plan of training salesmen, 327
- U. S. Rubber Company's window-pasters for retailers, 713
- V
- Vacation and Christmas club ideas, 774
- Vacation prize contest, 536
- Vacuum cleaners, demonstrating, 888
- Van Raalte Company's method of selecting salesmen, 277
- views on selling to retailers, 871
- Variation of sales by months, specialty vs. general stores, 221
- Victory Letters manual of Thos. D. Murphy Co., 368
- Victor Talking Machine Co., experience with increase of dealer representation, 93
- plan of having salesmen report on sales not made, 603
- plan of selling through jobbers, 85
- retail educational work, 353
- Visualizing sales facts, 886
- Vogan Candy Company's announcement of salesman's call, 797
- Volume, large, tendencies toward, 61
- Voorhis, W. R., bulletins to salesmen, 445
- Voss Washing Machine chart, 198
- W
- Wahl Company's compensation methods, 495
- experience with telephone selling, 946
- method of supervising salesmen, 405

- Walker, L. C., on sales conventions, 576
- Wallaces' Farmer* chart, 235
- Wall-paper, service aids in selling, 785
- Walsh, Richard, on credit management, 733
- Wanamaker, John, methods of establishing confidence, 57
- Washington, Geo., Coffee salesmen's demonstration kit, 885
- Waste of printed matter, elimination of, 631
- Wastes of advertising, checking of, 757
- Weaknesses, coaching salesmen on, 419
- Weaknesses of material furnished retailers, 701
- Weaknesses of salesmen, how to uncover, 465
- Weak points, helping salesmen to overcome, 419
- Weiss, E. B., views on use of display cabinets by retailers, 718
- Welch Grape Juice Company's comment on salesmen's use of Saturdays, 477
- Welch Grape Juice manual for salesmen, 386
- West Electric Hair Curler Company's view of women in sales work, 940
- Western Electric Company's method of selecting salesmen, 278
- Western Grocer Mills' letters to salesmen, 452
- Westinghouse Electric & Manufacturing Company's plan of training salesmen, 327
- Westinghouse Lamp Company's method of increasing appreciation of merchandising aids, 721
- Weyman, Burton Company's jobber distribution, 91
- White & Wyckoff's experience with house organ in exploiting dealer aids, 716
- White & Wyckoff Mfg. Company's announcement of calls of salesmen, 464
- Whiting, J. L. Company's educational methods, 344
- Whitman's (candy) method of determining advertising appropriation, 747
- Wholesale drug firm, chart of sales organization, 27
- Wholesale grocers, findings of Joint Commission of Agricultural Inquiry, 66
- stock turn, 74
- suggestions to, by Lewis N. Haney, 88
- Wholesaler, jobber, and retailer, comparative selling effort, 97
- Willard Storage Battery manual for salesmen, 388
- Willingness and loyalty, appreciation of, 626
- Wilson, Geo. L., on compensation of salesmen, 483
- Winchester Repeating Arms Company's use of demonstrations and samples to increase leads, 655
- Window-cards and posters of testimonials, 794
- Window-displays, changing of, 713
- payment for by manufacturers, 705
- retailer's attitude toward, 702
- three-panel style of, 707
- Women buyers, classification of, 205
- Woman chemical salesman, 941
- Women house-to-house sellers, 942
- in retail and general selling, 936
- who succeed in sales work, 940
- Women, advertising to, 822
- experiences with, as sellers, 936
- methods of approaching, 852

- Woodbridge, C. K., review of
compensation methods, 485
- Wool and wool products, dis-
tribution of, 84
- Wooltex Company's compensa-
tion methods, 491
- Y
- Yawman and Erbe Mfg. Company's
sales contest, 553
- Y. M. C. A. Schools, United,
manuals for salesmen, 382

GENERAL LIBRARY
UNIVERSITY OF CALIFORNIA—BERKELEY

RETURN TO DESK FROM WHICH BORROWED

This book is due on the last date stamped below, or on the date to which renewed.

Renewed books are subject to immediate recall.

27Oct'54DM

OCT 13 1954 LU

4Nov'54GW

OCT 21 1954 LU

FEB 7 1955

DEC 7 1954 LU

10Apr'55RF

May 10, 1955

MAY 2 1955 LU

25Nov'58BP

NOV 17 1958 L U

6Jan59ABZ

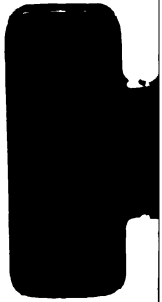
REC'D CD

JAN - 6 1959

INT'L LIBRARY

SEP 8 1967

Y.B 66077



Digitized by Google



