# Salesmanship Skill as Effective Driving Force in Indian Pharmaceutical Industry

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#### Abstract

Selling a product or services is a job that needs certain skills, which acts as the important driving force for a company. This takes a complicated dimension when it is probed in Pharmaceutical Industry. The necessity of these sales people in reaching the variety of highly knowledge customer base makes the companies spend some amount in training and making them realize the importance of reaching a target. Considering these aspects, the present study attempted to identify the important skill sets that have the capacity to empower the salesperson, which in turn emerges as sales force effectiveness. The study through survey method found, Adaptability, Consultative selling, Negotiation/questioning, and Sales person cues and communication styles as the important skill sets for a sales force to be effective. These findings are specific to Indian pharmaceutical Industry, which the present study has considered as the sample.

Keywords: Adaptability, Negotiation, Consultative Selling and salesmanship skills

#### 1. Introduction

Indian Pharmaceutical industry is a highly competitive industry and it is one of the highly organized sectors among all segments. The vibrant movement of the branded pharma industry showed a consistent growth in the past. The pharma industries take various strategies to make their strong presence in their respective specializations. The sales executives of this industry have to show their various skill sets in the field. The salesmanship factors such as adaptability, negotiation, questioning, sales persons' cues and communication style and consultative selling makes up the core of this study. We take these factors as the measuring tools to observe the overall effectiveness of the front line sales executives.

Compared with other industries, the pharmaceuticals products are highly technical in nature that needs more subject specialized sales persons to promote the product. The role of sales personnel is highly important in selling pharmaceuticals products as they make regular visits to their customer, exhibiting product knowledge, meeting multiple channels, maintain the sales targets. In practice, the pharmaceutical sales person meets the consultants who prescribe the products, paramedical staff; pharmacy attached to the particular hospital and co-ordinate with the concerned supplier of the products. The role of salesmanship skill sets is more important to meet out the targets for the front line sales forces.

### Salesmanship Skills

The recent developments and the rapidly changing sales trends are creating new demands on the business organizations and this has attracted the researchers to bridge the gap between theory and practice. The industry is witnessing new sales models, new kinds of sales professionals, and upgraded technology based customer management.

The performance is a direct outcome of sales persons' attitude, aptitude, role clarity, skills sets and environmental factors. Churchill et al., (1985) reviewed the various variables concerning the determinants of sales force performance. The skill sets such as consultative selling, salesperson cues, communication style, adaptability and negotiation is taken as important skills sets for this study by the researcher.

## 3. Review of Literature

The term effectiveness traced from various sales literatures shows alternative meanings. Ronald Zallocco et al., (2009)

compiled the various literatures to give a clear picture on the term effectiveness. Evaluation of sales person is done by the managers using specific objective. (Anderson and Oliver, 1987). Measuring the skill sets by controlling their capabilities that facilitates to assess the performance is measured by the organization (Challagalla and Shervani, 1996). To decide the effectiveness of a particular division or entire organization, the individuals' performance results in terms of sales unites, revenue generated, profitability, new accounts generated. Babakus (1996) expressed that the organization's sales effectiveness is the evaluation of organizational total outcome and only partial element is the sales person's contribution. Venugopal (2015) recommends cognitive strategies, which are customer-oriented and makes selling an enjoyable responsibility, his study made it evident that, higher level of performance salesperson is achievable if they adopt higher level of selling and emotional skill. His study suggests performance measures that are capable of identifying the customer relationship outcomes, and relying less on as sales volume or profits.

Plank and Greene (1996) pronounced, that the personal selling performance is purely by individual, but distinct from the sales behaviors to finish the sales. The sales person's skill sets (interpersonal skills, technical skills, presentation skills) and sales situations influence the sales.

Guo, L and Irene, C.L., (2012) show that salespeople's perceived reciprocity from the customer, a liking for the customer and relationship orientations were the driving factors that influences salespeople's relational behaviors with their customers. Gordon, L.G et al (1991) found that sales training topics—included setting standards and goals, motivational skills, time management, forecasting technology ,conducting meetings, team building, business ethics, precall coaching problem-solving, territory planning and competitive analysis. Ryerson. A (2008) identified negative correlation between self-efficacy and actual behavior, with regard to parameters of sales person's performance such as getting, giving, using and planning. Greenberg and Greenberg, (1983) had earlier suggested that, in order to be successful, a salesperson need three basic traits such as empathy, ego drive, and ego strength. Drollinger, T and Comer, L.B., (2013), predicted that Active Empathetic Listening (AEL) also had a strong relationship to trust and Trustworthiness of the salesperson would result in a better relationship between the buyer and seller. Abed, G.M. et al, (2009) found customer-oriented, relational selling strategies along with sales people characteristics had positive effects on sales person's performance. Pettijohn et al. (2007) obtained affirmative answers for sales performance.

#### 4. Statement of the Problem

The front line pharmaceutical sales job consists of syndicated services, customized services, face-to-face meeting with customers, request for prescription of drugs, delivering the samples, maintain the relationships with various selling points and track the delivery of prescription of drugs to the physicians or the other purchasers, etc. Since the pharma sales people are engaged in the above listed activities, the study of salesmanship characteristics and sales effectiveness is highly important to sustain in the competitive scenario.

#### 5. Purpose and Objectives Behind the Study

To understand the importance of various factors of salesmanship skill set related to the pharmaceutical industry, the study focus on the perceived attributes considered as essentials for the sales force effectiveness in pharmaceutical industry. This study is attempting to identify the salesmanship attributes that results in sales effectiveness and recommending those factors that could serve as an initiative to improve the sales force effectiveness in pharmaceutical industry.

## 6. Hypothesis

H1: Higher the salesmanship skills, greater level of sales force effectiveness

## 7. Identified Limitations of the Study

The gathered data represents the experience and expertise of the specific set of respondents for a specific period. As the market and selling strategies are dynamic in nature, the accuracy of the data may not remain the same for the current market status. The researcher could meet only one third of the respondents directly, and had no direct interaction with the remaining respondents. The authenticity of the responses, might affect the interpretation of the results. As an organized sector and under high level of watchfulness by various levels of management, the respondents were reluctant and hesitant to share the required information. This might have restricted the respondents from answering the questions with

a free mind.

## 8. Methodology

The present study attempted to describe and analyze these behaviors and to outline the skill sets necessary to call a sales force as being effective, this study is descriptive and analytical in nature. We used field survey in collecting the data by taking second and third line managers as sample respondents. This study used Non-probability sampling method in finalizing the sample respondents. The researcher in narrowing down the sample size used accidental-quota sampling. With the help of 35 executives and 5 distributers representing 21 pharmaceutical organizations the researchers collected the necessary information. Thirty-two pharmaceutical company front line sales executives participated in this survey to give their opinions. The study selected Tamil Nadu and Karnataka states from India based on the availability of these front line sales people during the study period from March 2012 to January 2013. We took samples of 352 respondents for this survey. The study did not considered equal distribution of sample between these two States due to personal difficulty faced by the respondents in the survey. Hence, out of these 352 samples, 114 responses came from Karnataka and the remaining 238 sample from Tamil Nadu.

## 9. Analytical Framework

Initially, before finalizing the questionnaire for the survey, the researcher undertook a pilot study on sales executives of automobile industry and a few pharmaceutical industries. The results and the suggestions formed the final questionnaire constructs to exercise on the selected sample size. We analyzed the data after categorizing the important variables that emerged from the survey. The study used Chi-Square test and Factor analysis to extract the required constructs and other variables.

Table 1: Demographic Composition

| Category                  | Classification | No. of respondents | Percent |
|---------------------------|----------------|--------------------|---------|
| Gender                    | Male           | 352                | 100     |
|                           | Total          | 352                | 100     |
| Age                       | < 25           | 47                 | 13.4    |
|                           | 25-30          | 184                | 52.4    |
|                           | 31-36          | 108                | 30.8    |
|                           | >36            | 12                 | 3.4     |
|                           | Total          | 351                | 100     |
| Educational qualification | Diploma        | 28                 | 8.0     |
|                           | Undergraduate  | 272                | 77.3    |
|                           | Postgraduate   | 52                 | 14.8    |
|                           | Total          | 352                | 100     |
| Marital status            | Married        | 162                | 46.0    |
|                           | Unmarried      | 186                | 52.8    |
|                           | Total          | 348                |         |

The samples consist of 352 male respondents who participated in this survey to study the effectiveness of front line pharmaceutical sales persons. This is because of the nature of job, which includes continuous and extensive travelling to cover the territory, work pressure in terms of meeting the customers and achieving the sales targets, etc. In India, the sales profession is highly dominated by the male category. Moreover, the researcher could not find any women pharmaceutical sales persons during his visit to meet the respondents for data collection.

Most of the respondents (83.2%) are in the age group 25-36 years. Up to 77.3 percent hold Under Graduate and 14.8 percent hold Post Graduates Degree. In India, most of the leading Pharmaceutical Organizations offered entry-level sales job to young person holding only UG degree. Half of the respondents (52.8%) are unmarried.

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Table 2: Career Composition

| Category                                   | Classification | No. of respondents | Percent |
|--|----------------|--------------------|---------|
| Work Experience In Present Company         | < 5            | 285                | 81.2    |
|  | 5-10           | 56                 | 16.0    |
|  | >10            | 10                 | 2.8     |
|  | Total          | 351                | 100     |
| Work Experience in Pharmaceutical Industry | < 5            | 169                | 48.1    |
|  | 5-10           | 128                | 36.5    |
|  | >10            | 54                 | 15.4    |
|  | Total          | 351                | 100     |
| Number of Organizations Worked till date   | <1             | 47                 | 13.5    |
|  | 1-3            | 250                | 71.6    |
|  | >3             | 52                 | 14.9    |
|  | Total          | 349                | 100     |

Table 2 shows the career composition. We find 18.8 percent of the respondents are continuing their job with the same organization for five years. Most of the sales persons (81.2 percent) switched their jobs within the span of five years duration and 86.5 percent of respondents are having minimum one-year experience. The table shows that 52 percent of respondents are having experience in more than three organizations. We find high sales force attrition and the sales persons keep looking for the better opportunities. This may be a great challenge for the organizations to retain the smart sales persons.

**Table 3:** Composition of Training Obtained:

| Category         | Classification | No. of respondents | Percent |
|------------------|----------------|--------------------|---------|
| Training in 2009 | <1             | 292                | 89.0    |
|                  | 1-3            | 32                 | 9.8     |
|                  | >3             | 4                  | 1.2     |
|                  | Total          | 328                | 100     |
| Training in 2010 | <1             | 266                | 82.1    |
|                  | 1-3            | 54                 | 16.7    |
|                  | >3             | 4                  | 1.2     |
|                  | Total          | 328                | 100     |
| Training in 2011 | <1             | 270                | 83.1    |
|                  | 1-3            | 52                 | 16.0    |
|                  | >3             | 3                  | 0.9     |
|                  | Total          | 325                | 100     |

To evaluate the effectiveness of the front line pharma sales force, the respondents are asked to provide three years (2009, 2010 and 2011) details of the sales training programs they have attended in their organizations. In the year 2009, 89 percent of respondents have attended a minimum of one sales training program. Likewise, in year 2010 and 2011, about 82.1 percent and 83.1 percent of respondents attended the sales training programs respectively. Organizations conducting training programs for enriching the knowledge of their own sales force show that, in 2010 and 2011, we find more than one training program been attended by 16.7 percent and 16 percent of the respondents respectively. This indicates the industry is conscious in terms of products and competition, and they wanted to ensure their sustainability in the market in terms of improving their market share.

Table 4: Composition of Recognition Received:

| Category            | Classification | No. of respondents | Percent |
|---------------------|----------------|--------------------|---------|
| Recognition in 2009 | <1             | 303                | 96.8    |
|                     | 1-2            | 10                 | 3.2     |
|                     | >2             | 0                  | 0       |
|                     | Total          | 313                | 100     |
| Recognition in 2010 | <1             | 312                | 96.9    |
|                     | 1-2            | 10                 | 3.1     |
|                     | >2             | 0                  | 0       |
|                     | Total          | 322                | 100     |
| Recognition in 2011 | <1             | 306                | 92.7    |
|                     | 1-2            | 24                 | 7.3     |
|                     | >2             | 0                  | 0       |
|                     | Total          | 330                | 100     |

In the Table 4, we record recognitions received by the respondents. The recognitions in terms of both monetary and non-monetary benefits included awards, promotions, incentives, cash prizes, etc. Most of the respondents did not received recognition from their organization in all the three years. Very few got recognition for their work during the period covered in this study.

**Table 5:** Composition of Sales Target Achieved:

| Category             | Classification | No. of respondents | Percent |
|----------------------|----------------|--------------------|---------|
| Sales Target in 2009 | <1             | 63                 | 18.7    |
|                      | 1-100          | 188                | 55.8    |
|                      | >100 86        |                    | 25.5    |
|                      | Total          | 337                | 100     |
| Sales Target in 2010 | <1             | 7                  | 2.0     |
| _                    | 1-100          | 185                | 53.6    |
|                      | >100           | 153                | 44.3    |
|                      | Total          | 345                | 100     |
| Sales Target in 2011 | <1             | 5                  | 1.4     |
|                      | 1-100          | 115                | 33.1    |
|                      | >100           | 227                | 65.4    |
|                      | Total          | 347                | 100     |

We show the individual sales targets met by sales force in Table 5. During 2010 and 2011, 97.9 to 98.5 percent of the respondents achieved 100 to more than 100 percent sales target. We see this as field sales persons achieving their targets in terms of value. The non-achievers of 100 percentages saw a fall in during the same period compared to 2009 (18.7 percent). This may be because of consistent growth of the market, reasonable targets, effective input to the field sales force, etc., Since, most of the respondents have achieved their targets, the factors perceived by them, in view of sales force effectiveness, may hold value.

**Table 6:** Composition of New Accounts Added:

| Category                   | Classification | No. of respondents | Percent |
|----------------------------|----------------|--------------------|---------|
| New Accounts Added in 2009 | <1             | 116                | 37.3    |
|                            | 1-5            | 172                | 55.3    |
|                            | 6-10           | 16                 | 5.1     |
|                            | >10            | 7                  | 2.3     |
|                            | Total          | 311                | 100     |
| New Accounts Added in 2010 | <1             | 48                 | 15.3    |
|                            | 1-5            | 242                | 77.1    |
|                            | 6-10           | 22                 | 7.0     |
|                            | >10            | 2                  | 0.6     |

|                            | Total | 314 | 100  |
|----------------------------|-------|-----|------|
| New Accounts Added in 2011 | <1    | 55  | 17.4 |
|                            | 1-5   | 238 | 75.1 |
|                            | 6-10  | 18  | 5.7  |
|                            | >10   | 6   | 1.9  |
|                            | Total | 317 | 100  |

Considering the measurement of sales force effectiveness, the total number of new accounts generated by the sales persons during a specific year has been one of the indicators for their effectiveness. During 2010 and 2011, among the 352 respondents 77.1 percent and 75.1 percent respectively created minimum of one and maximum of five new accounts respectively in their territories. Creating new business and respondents meeting the targets qualify themselves for recognitions from their organizations.

Factor extraction is one method that brings out the most important components, which contribute or influence the selected variable. We used this analysis to extract these different components and rename them as a 'single' factor that might carry the highest load in establishing the relationship with the variable in question. In the present analysis, we use this to find out the skill sets that determines sales force effectiveness.

**Table 7:** Sampling Adequacy

| Fact                  | ors                   | Cronbach's Alpha | KMO   | Barlett's sphericity |
|-----------------------|-----------------------|------------------|-------|----------------------|
| 1                     | Inter personal skills | 0.762            | 0.686 | 1473.791             |
| 2 Salesmanship skills |                       | 0.914            | 0.824 | 3418.583             |
| 3                     | Technical Skills      | 0.923            | 0.827 | 3120.071             |

#### 9.1 Cronbach's alpha:

Salesmanship skill set had 28 components for testing the consistency of response from the sample respondents. When all the 28 components were taken to measure the test, the resultant output showed a low alpha value, which was, inferred as inconsistent response. As a low alpha value might not extract enough loading in factor extraction, we dropped 11 components to obtain a high alpha value of 0.914, which was adequately more than the benchmark value of 0.60.

#### 9.2 Kaiser-Meyer-olkin measure:

This study used sampling adequacy to compare the magnitudes of the observed correlation coefficients in relation to the magnitude of the partial correlation coefficients. Larger KMO values are good since correlation between pairs of variables (i.e., potential factors) is significantly explained by other variables. The value of KMO showed that the Salesmanship skill had a value of 0.524. As salesmanship skill set had a value more than 0.5, we inferred that, factor analysis is appropriate for the present research.

#### 9.3 Bartlett's test of sphericity:

This method tests the hypothesis, that the correlation matrix is an identity matrix. We look for significance, as the test needs the variable to have perfectly correlation amongst them and should indicate some level of correlation with other items. We tested and found that Bartlett's sphericity was significant for the salesmanship skill set as it shows values of < 0.0001. Hence, we prove again that all the components framed for the skill sets are fit to go with factor analysis.

We adopted principal component analysis for extracting a combination of items that might account for the largest amount of variance in the selected sample.

Table 8: Factor Analysis - Salesmanship Skills

| Salesmanship Skills<br>Factors          | Ite | ems  | Eigen<br>Value | Factor<br>Loadings | Communalities | Variance<br>Explained |
|---|-----|--|----------------|--------------------|---------------|-----------------------|
| Consultative Selling                    | 1   | Maintaining frequent communication with my customer                          |                | .842               | .758          |                       |
|   | 2   | Effective in exceeding annual sales target and objectives                    |                | .788               | .764          |                       |
|   |     | Ability in general speaking skills   | 7.310          | .681               | .568          | 43.001                |
|   |     | Ability to express yourself non verbally                                     | 7.310          | .680               | .753          | 43.001                |
|   |     | Helping a customer to find out the most suitable product/service             |                | .594               | .507          |                       |
|   |     | My performance in the new territory  |                | .546               | .581          |                       |
| Sales person Cues & Communication Style |     | Ability to work with the team  |                | .819               | .719          |                       |
|   |     | Ability to close the sale  |                | .750               | .765          |                       |
|   |     | Ability to present the sales message   | 1.637          | .699               | .695          | 9.629                 |
|   |     | Timely updating of market information to organization                        |                | .562               | .746          |                       |
|   | 5   | Ability to handle the objections   |                | .501               | .549          |                       |
| Adaptability                            |     | Timely updating of market information to organization                        |                | .515               | .746          |                       |
|   |     | Working through exercises to identify and improve attitude towards customers | 1.111          | .759               | .740          | 6.534                 |
|   | 3   | Using high level of technology to support my selling efforts                 |                | .657               | .585          |                       |
|   | 4   | Ability to control and regulate nonverbal displays of emotion                |                | .517               | .655          |                       |
| Negotiation                             | 1   | Awareness and understanding of the nonverbal communication of others         | 1.006          | .787               | .721          | 5.918                 |
|   | 2   | Timely reporting to various levels   |                | .535               | .531          |                       |

### 10. Factor Analysis

The use of factor extraction method on salesmanship skills (Table 8) produced reasonably high communalities values for the six variables, which accounted for the first factor. This factor had an eigen value = 7.310. As this is greater than 1.0, it had an explanatory power of that much time more than a single variable. The total variance explained by this factor stood at (7.310/17 units of variance) (100) = 43%. That is, 43 per cent of the variations observed in the effectiveness of sales force might be due to this factor. All the six variables have a high factor loading on factor 1, which we named as 'Consultative Selling.

Communalities observed for the next five variables were high enough to substantiate the extraction of the second factor from them. Eigen value for this factor was found to be 1.637 which had an explanatory power of (1.637/17 units of variance) (100) = 9.63%. That is, 9.6 per cent of the variations in the sales force efficiency were due to this factor two. Heavy factor loadings from these variables lead the researcher to rename this as 'Sales person cues & communication style'.

We extracted the third factor with four variables having high communalities further cementing the extraction result. An eigen value of 1.111 showed that this factor was able to explain (1.111/17 units of variance) (100) = 6.534%. That is, the variations in the salesmanship skill were due to 6.53 per cent power of explanatory that rested with this factor. As we observed heavy factor loadings on this factor by these four variables, we renamed as one single factor 'Adaptability'.

High communalities between two variables observed in the fourth factor. This high score enabled to retain this factor for further analysis. An eigen value just above 1.0 (i.e., 1.006) was established with a power of explaining the variance of 5.918% in the salesmanship skills. We observed reasonably high factor loadings on this factor by the extracted two variables. Due to this reason, we retained this factor as 'Negotiation'.

Table 9: Descriptive statistics - Salesmanship skills

| Salesmanship skills Constructs |                                   | No.of items | Mean(SD) | Skewness(SE) | Kurtosis(SE) | Cronbach's Alpha |  |
|--------------------------------|-----------------------------------|-------------|----------|--------------|--------------|------------------|--|
| 1                              | Consultative selling              | 6           | 3.60     | 0.45         | 3.73         | 0.87             |  |
| '                              | Consultative sening               | 0           | (0.67)   | (.130)       | (.259)       | 0.07             |  |
| 2                              | Sales person cues & Communicative | 5           | 3.67     | -0.27        | -0.48        | 0.84             |  |
| -                              | style                             | 3           | (0.59)   | (.130)       | (.259)       | 0.04             |  |
| 2                              | Adaptability                      | 4           | 3.32     | 0.09         | 0.63         | 0.72             |  |
| S                              | Adaptability                      | 4           | (0.630   | (.130)       | (.259)       | 0.72             |  |
| 1                              | Negatiation                       | 2           | 3.68     | -0.72        | 1.08         | 0.50             |  |
| 4                              | Negotiation                       | 2           | (0.70)   | (.130)       | (.259)       | 0.30             |  |

The first factor in the salesmanship skill formed from factor loading is 'consultative selling', which had a mean score of M = 3.60(SD = 0.67). The inference is, respondents felt 'good' about the skills, which enhanced their efficiency level. An almost similar inference was drawn for all the remaining factors, like, 'Sales person cues & communicative style' (M = 3.67; SD = 0.59), 'Adaptability' (M = 3.32; SD = 0.63, 'Negotiation' (M = 3.68; SD = 0.70) respectively brought out mean score with less deviation.

The skewness value show -0.45 (SE=.130) and kurtosis value is 3.73 (SE=.259) for 'Consultative selling'. Given this values skewness is within the range of -0.26 and +0.26 and kurtosis was within the range of -0.52 and +0.52. This falls in tolerable range for assuming a normal distribution. We find similar kind of result for all the remaining factors. 'Sales person cues & communicative style' had a skewness value of -0.27 (SE=.130) and kurtosis value of -0.48 (SE=.259), 'Adaptability' had 0.09 (SE=.130) and 0.63 (SE=.259), 'Negotiation' had -0.72 (SE=.130) and 1.08 (SE=.259) respectively. Examination of the histograms suggested that the distribution looked approximately normal. This strengthens the applicability of parametric test for further analysis.

The composite score adopted for the extracted variables when tested for reliability, had resulted in acceptable alpha value more than 0.60 for the first three factors, namely, 'Consultative selling' (0.87), 'Sales person cues & Communicative style' (0.84), 'Adaptability' (0.72). We observed low alpha value for 'negotiation' (0.50) which is mediocre.

| <b>Table 10:</b> Estimation on Professional work experience with Salesmanship Skills va | Is variables |
|---|--------------|
|---|--------------|

|   | Independent Variable                 |                               |                                 |                |       |
|---|--------------------------------------|-------------------------------|---------------------------------|----------------|-------|
| Dependent Variable                          | Total Industry working<br>Experience | Number of Organization worked | Present Organization experience | R <sup>2</sup> | F     |
| Consultative Selling                        | .095<br>(1.208)                      | .104<br>(1.684)               | 043<br>(598)                    | .025           | 2.870 |
| Salesperson cues and<br>Communication Style | .000<br>(003)                        | 011<br>(177)                  | .132<br>(1.846)                 | .017           | 2.014 |
| Adaptability                                | .176*<br>(2.253)                     | 021<br>(345)                  | 015<br>-(.208)                  | .025           | 2.978 |
| Negotiation                                 | 199<br>(-1.520)                      | .210*<br>(3.406)              | .077<br>(1.090)                 | .033           | 3.902 |

To understand the influence level of professional work experience with salesmanship skills, we adopted ordinary least square method. The table indicates that all the mentioned salesmanship skill equations except salesperson cues and communication style found to have goodness of fitness with a significant 'F' value.

The value of beta coefficient for the equation of total industry experience of sales person is significant in 'adaptability' (b=.17, t=2.25) and for negotiation skills it is significant in terms of sales persons' total number of organizational experience (b=.21, t=3.40). Therefore, we understood that the one percent change in total industry experience reflects seventeen percent positively on the adaptability skill of a sales person. Similarly, the negotiation skill changes by 21 percent for one percent change in the total number of organization worked by sales person. We find, current organizations' experience of sales persons do not have influence in any of the salesmanship skills. We find negotiation and adaptability skills as important salesmanship skill sets than the other skills.

**Table 11:** Ordinary Least Square estimation of salesmanship skills with sales target

| Danandant Variable | Independent Variable Consultative Selling Salesperson cues and Communication style Adaptability Negotiation |  |              |             | R <sup>2</sup> | Е     |
|--------------------|---|--|--------------|-------------|----------------|-------|
| Dependent variable | Consultative Selling  | Salesperson cues and Communication style | Adaptability | Negotiation | K-             | Г     |
| Sales Target 2009  | 008   | .005                                     | 006          | 101         |                | .848  |
|                    | (148)   | (.082)                                   | (116)        | (1.835)     |                |       |
| Sales Target 2010  | 074   | 002                                      | .064         | .001        | 000            | .802  |
|                    | (-1.353)  | (039)                                    | (1.178)      | (.020)      | .009           | .002  |
| Sales Target 2011  | .093  | .057                                     | .030         | .098        | 022            | 1.918 |
|                    | (1.722)   | (1.064)                                  | (.550)       | (1.824)     | .022           | 1.910 |

Note: \*= significanct @ 0.05%

To find out the relationship level in salesmanship skills and sales targets, Table 11 indicates no significant relationship between the salesmanship skills and sales target fixed to the sales persons. As beta value and F value is insignificant in

all the variable, we infer that, in pharmaceutical industry, the salesmanship skills influence on the sales targets is not important.

Table 12: Ordinary Least Square Estimation of Salesmanship skills with net account added

| Dependent Variable     | Independent Variable |  |              |             | R <sup>2</sup> | E     |
|------------------------|----------------------|--|--------------|-------------|----------------|-------|
| Dependent variable     | Consultative Selling | Salesperson cues and Communication style | Adaptability | Negotiation | K-             | Г     |
| Net Account Added 2009 | .90                  | .059                                     | 007          | .047        | .012           | .954  |
|                        | (1.574)              | (1.040)                                  | (118)        | (.811)      |                |       |
| Net Account Added 2010 | .073                 | .120*                                    | 022          | .085        | 025            | 1.938 |
|                        | (1.282)              | (2.130)                                  | -(.382)      | (1.501)     | .025           | 1.930 |
| Net Account Added 2011 | .091                 | .060                                     | 070          | .048        | 010            | 1.435 |
|                        | (1.612)              | (1.065)                                  | (-1.245)     | (.847)      | .010           | 1.433 |

To evaluate the relationship between salesmanship skills and the net account added, we used OLS estimation method. The overall goodness of fit is very weak with low F value. The R<sup>2</sup> value is very less, which is an indication of weak explanatory power of independent variables. Hence, we feel that, salesmanship skills are not capable of explaining changes in net account added by sales persons. The beta coefficient of salesperson cues and communication styles is significant than other variables (b=.12, t=2.13). It shows twelve percent improvement in Net account added in 2010 is due to salesperson cues and communication style.

Table 13: Ordinary Least Square Estimation of Salesmanship Skills with Sales Training

| Dependent Variable                       | Independent Variable        |                |                 | R <sup>2</sup> | F     |  |
|--|-----------------------------|----------------|-----------------|----------------|-------|--|
| Dependent Variable                       | Training 2009 Training 2010 |                | Training 2011   | K-             | 「     |  |
| Consultative Selling                     | 010<br>(156)                | 073<br>(671)   | .030<br>(.270)  | .003           | .307  |  |
| Salesperson cues and Communication Style | .049<br>(.767)              | .020<br>(.179) | 047<br>(422)    | .002           | .227  |  |
| Adaptability                             | 143*<br>(-2.244)            | 035<br>(324)   | .128<br>(1.173) | .019           | 1.928 |  |
| Negotiation                              | 129*<br>(-2.022)            | 018<br>(165)   | .101<br>(.924)  | .015           | 1.508 |  |

The influence level of sales training attended by the sales persons on salesmanship is observed in Table 13. We observe a weak F value and  $R^2$ , which is an indication of poor fit and low explanatory power. The beta coefficient of the sales training program (Year 2009), has significant influence on two variables - adaptability (b= -.14, t= -2.24) and Negotiation skills (b= -.12, t= -2.02). This model explains one percent change in training reduces fourteen percent capability in adaptability skill and twelve percent decrease in negotiation skills. We feel training did not improved the necessary skills in the year 2009 among the respondents.

**Table 14:** Salesmanship skills with Recognition received by sales persons

| Dependent Variable                       | Independent Variable |                 |                  |                | F     |
|--|----------------------|-----------------|------------------|----------------|-------|
| Dependent variable                       | Recognition 2009     | Recognition2010 | Recognition 2011 | R <sup>2</sup> | Г     |
| Concultative Colling                     | .133                 | 001             | 261*             | 040            | 4.174 |
| Consultative Selling                     | (1.769)              | (024)           | (-3.468)         | .040           | 4.174 |
| Calcaparan auga and Cammunication Style  | .039                 | 150*            | 144*             | .036           | 3.702 |
| Salesperson cues and Communication Style | (.515                | (-2.655)        | (1.903)          |                |       |
| Adaptability                             | 049                  | .134*           | 059              | 020            | 2.960 |
| Auaptability                             | (642)                | (2.348)         | (776)            | .029           |       |
| Negotiation                              | .132                 | .176*           | 055              | .041           | 4.330 |
| Inegolialion                             | (1.759)              | (3.118)         | (725)            |                |       |

The F value in Table 14 shows weak overall fit and poor explanatory power. We find significant beta coefficient (recognition 2010) in salesperson cues and communication style (b= -.15, t= -2.65). Adaptability (b=.13, t=2.34) and negotiation (b= .17, t= 3.11) also had significant influence from the independent variable. The model revealed for every

one percent alteration in recognition reduced 15 percent of sales person cues and communication and increased adaptability by thirteen percent. Negotiation improved by 17 per cent. The third equation disclosed for every one percent change in recognition reduced the consultative selling by 26 percent and salesperson cues and communication style by fourteen percent. Through these equations, we find that adaptability, negotiation skills improves significantly when sales peoples are properly recognized.

### 11. Findings

Through this study, we feel that Male domination is predominant in this industry and people in the age group of 25-36 are in large numbers. In India, most of the leading Pharmaceutical Organizations offered entry-level sales job to young person holding only UG degree. We find high sales force attrition and the sales persons keep looking for the better opportunities. This may be a great challenge for the organizations to retain the smart sales persons. The study revealed that, current organizations' experience of sales persons do not have any impact on the salesmanship skills. Negotiation and adaptability skills are important salesmanship skill determinants. Salesmanship skills impact on the sales targets is not important. We find training did not improve the necessary skills. We find that adaptability, negotiation skills improves significantly when sales peoples are properly recognized.

### 12. Conclusion

Sales force effectiveness of a company depends on the efficiency of the sales people involved in meeting the customers. People do not inherit this efficiency and skills, but they gain and sharpened by the amount of effort put by these executives. In salesmanship skills, it was found that adaptability: negotiation, consultative selling and salesman cues & communication style are significant contributors for having an impact on the sales people performance.

The study, hence suggests that a pharmaceutical company has to impart and look for these skill sets to improve their sales. Training and proper recognition for those sales executives who possess this skills are imminent for Sales force effectiveness in Indian conditions.

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