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AN INDEX OF AUTOMOBILE SALESMANSHIP IN MISSOULA, MONTANA-JULY-AUGUST, 1970

Вy

Peter James Davidson

B.B.A., Idaho State University, 1968

Presented in partial fulfillment of the requirements for the degree of

Master of Business Administration

UNIVERSITY OF MONTANA

1971

Approved by:

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TABLE OF CONTENTS

		Pa	lge
ACKNOWL	EDGMENTS	000	ii
LIST OF	TABLES	000	iv
LIST OF	FIGURES	u o o	v

Chapter

1.	INTRODUCTION	1
	OBJECTIVES	5
	METHODOLOGY	13
2.	RESEARCH FINDINGS	18
3.	SUMMARY AND RECOMMENDATIONS	51
APPENDI	X A	55
APPENDI	X B 	58
APPENDI	X C	61
APPENDI	X D	64
BIBLIOG	RAPHY	67

LIST OF TABLES

Table		Page
1.	Results of Researcher's Evaluations	32
2.	Results of Sales Manager's Evaluations	35
3.	Statistical Comparisons	42
4.	Observations Summary	53
.5•	Sign TestSample Differences	63
б.	Evaluation Results Received for Question 3, as Taken from Tables 1 and 2	65
7.	Contingencies	66

LIST OF FIGURES

Figure	P	age
1.	Distribution of Points Received on Question 1-A	44
2.	Distribution of Points Received on Question 2	46
3.	Distribution of Points Received on Question 8	49

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Chapter 1

INTRODUCTION

A salesman is one who, by his communicative efforts, attempts to produce particular motivating values and attitudes in his prospects' minds, while at the same time developing a point of view in their minds similar to his. Because they perceive and realize the points he has made, they are aroused to purchase his product. This process of the prospect perceiving and realizing the salesman's efforts is often best achieved on a face-to-face basis. There, his efforts in a selling situation are to bring about an interaction for the purpose of creating, modifying, exploiting, or maintaining a communicative relationship between himself and his prospect.¹

To be a salesman and do all that should be done requires a great deal of an individual. This is especially true when looking at the salesman's role in our economy. The promotion of exchange is the keystone of all marketing activities. The salesman is the person who

¹Patrick J. Robinson and Brent Stidsen, <u>Personal</u> <u>Selling in a Modern Perspective</u> (Boston: Allyn and Bacon, Inc., 1961), p. 14.

perpetuates and builds our economy through his promotion of products in the marketing system.

Development of his potential capacities is required of the salesman. He must be suited for his work and must have proper training to accomplish his function in the business world. Each salesman must exhibit a unique configuration of traits, attributes, and qualities in order to sell a product successfully. It is largely the use of these factors that determines who is or is not successful in selling.

There are many qualities stressed by most literature as necessary for a salesman's success. In an article in the <u>Harvard Business Review</u>, Robert McMurry stated the conviction that a salesman should be the possessor of an effective sales personality. He should be one who is a habitual "wooer," an individual who has a compulsive need to win and hold the affection of others. This trait cannot be implanted after childhood, but is said by McMurry to be acquired as a product of his early environment. He has empathy and sensitivity; he senses and uses compatibility.²

One salesman who needs to be increasingly more successful and effective in his role is the automobile salesman. Today's automobile salesman needs to be more

²Robert N. McMurry, "The Mystique of Super-Salesmanship," <u>Harvard Business Review</u>, XXXIX (March-April, 1961), 117.

effective in his job than his predecessor. The automobile industry realizes this and is emphasizing the necessity of capable and aggressive salesmen in an ever-expanding market. In view of this, the basic problem to be looked at in this paper will be twofold: (1) what are the techniques which lead to effective automobile salesmanship, and (2) to what extent are these techniques evident in Missoula automobile agencies?

Today's automobile, because of its complex development to answer the consumers' demands and wishes, is a much more demanding product to understand and sell than ever before in the industry's history. The industry is offering a greatly expanded number of options on its product. This is a result of today's potential customer. He has a greater income and buying power and an increasing demand and use for the automobile. He also has an increased amount of leisure time for the use and enjoyment of his automobile. In addition, more young people buy and drive cars than ever before.

To make automobile sales benefit from this diverse offering and growing demand, many tactics are used by the industry. One is product design. Today, specific models and options are carefully designed to appeal to various groups in the market. These cars are then presented in as exciting and appealing a way as possible. Advertising attempts to presell the automobile-buying market as

extensively as possible. In doing so, the entire range of potential customers is made aware of the soundness, quality, value, and styling as part of what they can continue to expect from the industry.

Following up the advertising, more emphasis is placed on the dealership. His facilities and excellent service department are emphasized for their ability to satisfactorily service the variety of cars produced. The sales function of the dealership is also stressed. Dealers realize the key to continued sales of all available models is with their salesmen. The salesmen are responsible for the industry's continuing growth. They are the ones who usually have both the first and last personal contact with the potential customer. Their performance, or lack of it, in this contact can make or break the industry's sales growth despite its integrated marketing efforts.

Today's automobile salesmen, then, plays one of the most vital roles in the success or failure of any automobile the industry places on the market. He must be selected, trained, and ultimately perform well to fit into the industry's growth and development. The success of each dealership, as well as the satisfaction and reward the individual receives for his selling efforts, depends on each salesman's knowledge and use of the most effective sales techniques available. Each salesman's performance of these techniques is of vital interest to the dealership.

Sales managers must continually examine his ability, as well as his performance, for their continued success. How well the salesman performs in turn depends largely on how well he incorporates all the best sales techniques and effectively applies them in his role.

OBJECTIVES

The best automobile-selling techniques come from a variety of research and studies. There are broad ranges within many selling techniques, but frequent references are made to several of the best ones only. Narrowing the scope of these techniques to today's best and most effective ones, the hypothesis to be questioned in this study can be stated as follows: "Are the automobile salesmen of Missoula, Montana, effectively applying and using today's best sales techniques are referred to by this hypothesis, it will be necessary to describe briefly each of them in the paragraphs to follow.

To begin with, in making his first impression on - prospect, the appearance of the salesmen is very important. Emphasis should therefore be placed upon his personal appearance: his clothes, his manners, and his personality as a whole. Much of the initial impression he makes comes from his clothes. It is well for him to remember clothes do not make a man, but the fact remains the first

impression he creates can be attributed as much to his clothes as to his manners. Manners and bearing may quickly make the prospect forget the salesman's clothes, but until he begins to speak he is judged by the general appearance of his attire.³

The salesman's language is a very important matter. He can benefit greatly from learning to examine what is expressed through his prospect's language, as well as his By prior consideration of the effectiveness in comown. municating with prospects, he will know exactly how to channel the reactions of his listener in each situation. He should know what ideas would be desirable for the prospect to conceptualize to further promote the selling situation. To promote a successful presentation of these ideas, he should then plan his presentation to develop carefully and should arrange his ideas in a straightforward and uncluttered manner. He should always work for an easy and simple language designed to paint colorful, clear, sharp, moving, and lively mental images in the mind of his listener. He should be watchful for the meanings his words and those of his prospects convey. How they are interpreted as either denotative or connotative can make a great difference. If he learns to observe his own

³Harold Whitehead, <u>Principles of Salesmanship</u> (2d ed.; New York: Ronald Press Co., 1919), p. 287. б

feedback, as well as theirs, he can effectively use language.⁴

For effectiveness, a salesman should learn to listen as well as talk. Because it is estimated that approximately one-half of human communicative time is devoted to listening and one-third to speaking, listening should therefore be stressed as one of his primary goals. If he is going to have a good understanding of the situation, in order to either reinforce or alter his position, the salesman must make his communication a two-way process.⁵

To be effective the salesman should be very well acquainted with his product. The automobile is a very complex product today due to the variety of offerings, especially the number of available options. It has many technical points which the prospect may ask about, as well as emotionally appealing points. It is important to remember that this knowledge only comes from studying and analyzing something prior to his contact with the prospect. The best way for him to remember and present facts or features is as a benefit. Many times he can maximize the sell of options by presenting them as investments which pay wonderful benefits at resale time. This type of appeal

⁴Richard M. Baker, Jr. and Gregg Phifer, <u>Salesman</u>-<u>ship: Communication, Persuasion, and Perception</u> (Boston: Allyn and Bacon, Inc., 1966), p. 266.

^DIbid., p. 224.

often wins emotional response and should be one of the salesman's main objectives during the discussion so as to intensify and clarify those benefits his prospect appears to want most.⁶

During the selling situation, an effective salesman will present the prospect with a variety of points for discussion; channel him, through his persuasive ability, towards agreement and a possible sale. In applying these selling points to automobiles, the heart of the sales message is compressed as follows:

1. Quality--In this area, the salesman can present such points as workmanship, durability, strength and dependability of materials used, and the finish of the automobile. Some aspects of quality the salesman can point out and others the prospect will observe.

2. Price--This can be discussed in comparison with the quality and value the purchaser receives for investing his money. Depreciation and resale value can also be discussed. Comparisons can be made by the salesman even with a similar model of a competitor.

3. Appearance--In automobiles, this can be a very important consideration. To some, extreme value is placed on styling, color, trim, and other eye-appealing factors. To others, appearance should be emphasized less

⁶<u>Ibid</u>., p. 345.

because more value is placed on utility. Depending on the model and the prospect, this can be a positive or negative point in the sales discussion.

4. Availability--This point consists of the number of such cars sold and how easily they can be serviced. If the service of this dealership is excellent, it can become a favorable and strong selling point.

5. Financing--Depending on the arrangements of the dealership and the prospect's finances, this can help favor many sales presentations.⁷

Important to the effective salesman in using the best techniques is a rational, well-reasoned sales presentation. In developing and planning his approach to a sales presentation, a salesman can be either basically logical or emotional. His sales approach must contain elements of both. No single sales approach he may take can be exclusively logical or emotional because his prospects are neither exclusively rational nor exclusively emotional beings. They will have their own varied sources of beliefs and only by conversing with them will he be able to determine somewhat how they reason and what may or may not influence their decisions.⁸ Usually, an effective salesman will place more emphasis on using reason in support of his propositions. At times, emotions may be

> ⁷<u>Ibid</u>., p. 202. ⁸<u>Ibid</u>., p. 271.

interwoven into his appeal, but if an emotional appeal is used entirely, a prospect may believe or later say he was misled. It is true some selling points of an automobile are emotional, but a salesman will not be effective in basing a large amount of his presentation on this type of appeal unless his success or experience with it has shown otherwise. Research has shown that a prospect's decision to purchase with a strongly reasoned base, resulting from the sales presentation, best guarantees permanent satisfaction arising from his belief in the quality, fair price, and other rational elements of the automobile.⁹

During the course of the discussion, an effective automobile salesman will know how to confront objections when they arise and how to use them logically to enhance the points he is making. When a prospect presents an objection or an excuse, the salesman will know how to look beyond it. Perhaps the points are not being made intensely or clearly enough. Generally, his best approach will be to treat an objection as if the prospect were seeking additional information. He will then use these objections as good feedback and determine from them what scale of values the prospect is using in this situation. He will use these objections then as a mirror to show what he must do to gain favorable action. The salesman learns if his

⁹Ibid., p. 273.

presentation is making progress or not and counters, if necessary, with more information or a rephrasing of his last point to gain the prospect's confidence. With practice and experience an effective salesman will be prepared to react favorably to many of the typical objections. He will learn to use a clearer, more vivid, more intense, and complete presentation.¹⁰

In combining all these effective sales techniques, the salesman will formulate and present them in a manner similar to the following:

1. Opening--This is the initial greeting or welcoming of the prospect. Here, much of the initial impression of the salesman is made. He should generally introduce himself as soon as possible to make the situation slightly more relaxed. He will exchange some small talk and define some of the prospect's interest.

2. Enticing the prospect--Here, he will present the basic points of the car in various terms, depending on the prospect's attention. The car the prospect seems most interested in is described and discussed. Sometimes he will paint a mental picture of the pleasures and conveniences of this car. Generally, the more vividly and intimately he describes the car, the more effective will be his sales presentation. He presents the options available as benefits to be gained by purchasing such a car.

¹⁰Ibid., p. 356.

3. Providing rationalization--Here the effective salesman develops the trend of reasoning as either basically logical or emotional. The points he presents are adopted in an order applicable to his prospect's responses. Selected reasons and evidence for buying are supplied to help channel the prospect's reasoning and behavior. Two subjects usually discussed are price and financing. The effective salesman firmly leads the prospect towards a purchase, or close.

4. Closing the sale--To the salesman, this is the point for a final stressing of his techniques. Now all the prospect's objections have been dealt with, and there is no reason why the salesman cannot close the sale. He must be the aggressive partner, with a calm confidence of rendering the prospect a service, when drawing the presentation to a close.¹¹ Logical and/or emotional arguments will be used to close his persuasive effort. If he attempts a trial close of a sale properly and is turned down, he is benefited. He knows he will not argue with the prospect, but will continue to build around what presently they agree upon. As a final attempt, the benefits to the prospect from buying will be summarized. If a failure to complete the sale results, the salesman may not leave until he receives some commitment that will

¹¹McMurry, p. 116.

simplify his persuasion the next time he sees the prospect. However, if a sale is completed, he will not allow his interest in the prospect to be lost, and will give him every possible attention and assistance.¹²

At this point, if the salesman did fail to close his sale, he should be certain to follow up as soon as it is convenient for his prospect. Many times this can be done by phone or by making a personal visit to the prospect's home. To be effective in his second encounter, he should make a post-sales presentation analysis to determine, for his own benefit, where he can strengthen his presentation. He may also bring in reserve appeals which he failed to mention previously. If the followup is prepared and presented well, he knows his chances for a closure greatly increase.¹³

These are today's best automobile sales techniques. These are the techniques with which the hypothesis posed for this paper is concerned: to what extent do automobile salesmen in Missoula, Montana, presently use these techniques?

METHODOLOGY

The best place to study the application of these techniques is at new-car dealerships. Therefore, after

¹²Baker and Phifer, p. 410.

¹³Robinson and Stidsen, p. 96.

deciding on this basic question, the 11 new-car dealerships in Missoula, Montana, were chosen as the businesses to study. A questionnaire was formulated to evaluate the application of such selling techniques. In view of the limited scope and depth of this paper, it appeared to the researcher that the best method of assessing and comparing the use of such techniques would be an index-type of rating. The questions used in the research can be seen in Appendix A of this paper. Eleven evaluating questions were designed to be rated on a scale from 1 to 10. Each salesman would be ranked separately yet comparably in each category upon completion of the testing.

Each of the visits to Missoula's 11 new-car dealerships to administer this questionnaire was arranged and approved beforehand by a phone conversation with the newcar sales manager. This original conversation was to explain to him the purpose of the study and to secure his approval to speak with several of his salesmen. From all these conversations, complete cooperation was received for the study. The new-car sales managers also agreed to counter-evaluate each salesman visited at their dealerships.

Before making any second visit to a dealership, a second phone call was made to the new-car sales manager to discuss when a second visit would be feasible. By this arrangement, the first salesman would not be in on

the second visit to the dealership. This was also necessary to ensure that the second salesman evaluated had not seen the interviewer on his previous visit. By planning the visits in this manner, it was possible for the interviewer to complete 20 different interviews. Because two dealerships had only three salesmen employed at that time, it was impossible to visit these twice and still ensure that the second salesman had not seen the interviewer with the first one.

The interviewer in visiting the new-car dealership administered the evaluation procedure each time as follows: The interviewer would walk into an automobile dealership alone and unannounced. There he would become interested in an automobile similar to what he was driving or one reasonable for his age, income, and occupation. Within a few minutes at the dealership, a salesman would approach the interviewer. He then began discussing with the salesman this particular car or a similar one in which he was interested。 The interviewer would present the salesman with various details necessary in order to make this an informative conversation: the interviewer's age of 24; his single marital status; his working as a full-time clothing salesman at K-G Men's Store; currently driving a 1968 Mercury Montego MX, which he was considering as a trade; his currently finishing the requirements for his M.B.A. at the University of Montana; and having accepted employment,

to begin September 14, 1970, as a Management Trainee with the First Security Bank of Idaho in Boise. These were specific details the interviewer mentioned, allowing the salesmen to gain an insight into what the interviewer's possible needs for an automobile were. During the conversation, the interviewer made certain to ask questions on which he could judge the salesman in areas of product knowledge. The interviewer presented objections to test how well the salesman used them to gain a better insight of him. In almost every case, due to the interviewer's interest in and objections to the car, he was offered and accepted a demonstration drive. The entire interview usually entailed a period of from one to two hours. During this time, the interviewer attempted to give the impression that he was sincere in his interest in buying the car from the salesman. The interviewer made these visits on varying days with the time fitting his work schedule. Each visit was concluded with the reason being given that he had to keep another appointment; i.e. returning to work. The interviewer would give each salesman his business card to impress him with the fact that he sincerely desired a followup of some sort -- if the salesman usually made them. The salesman, at the conclusion of the visit, usually gave the interviewer his business card, so he would be kept in mind.

The interviewing in this manner began on Monday,

July 13, 1970, and was completed on Tuesday, August 4, 1970. After this the interviewer began taking crossevaluations in person, at an arranged time, to the respective dealership's new-car sales manager. During this visit, each manager was given an envelope containing instructions, one or two evaluation questionnaires, a supplementary sheet of questions (see Appendix B), and a self-addressed stamped envelope. This supplementary sheet of questions was included to help the new-car sales manager better understand what was to be evaluated. With this visit and the instructions, which were enclosed, it was believed the new-car sales managers would properly complete the evaluation questionnaire and return it at their convenience. This they all did.

Chapter 2

RESEARCH FINDINGS

Upon completion of each interview described in Chapter 1, an evaluation form was used to appraise the salesman's performance. Each of these forms consisted of ratings in 11 areas essential to good automobile salesmanship. In presenting the results of the interviews, each salesman's performance could be discussed individually, but this would be too lengthy and not in keeping with the overall purpose of this paper. Therefore, the average and range computed for the salesmen on each question will be presented and discussed. A grade of 10 is the best rating possible or the best possible application of this automobile salesmanship practice. A result of one indicated the least effective use of the practice. Extremes were seldom received and the average ratings computed to the nearest decimal point from these 11 evaluations ranged from a high of 9.0 to a low of 4.7. As called for in the research design, each evaluation was the result of the interviewer's evaluation of the salesman's performance. Each salesman's performance could vary somewhat according to time of day or day of the week. These performance

evaluations were conducted on six weekdays and varied as to the time of day and length of the conversation time. As a result of these variables, some of the individual evaluations may have differed, but average results from the sample of 20 automobile salesmen should be reasonably representative of the entire working week.

Question 1-A: "How would you rate his appearance?" Salesman's Number 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 Rating Received 9 10 10 5 10 10 10 10 6 6 10 8 10 7 10 10 8 10 10 10 Average = 9.0

This question, as seen on the previous page, received ratings ranging from 5 to 10, with an overall average of 9.0. When the interviewer entered the dealership, some salesmen made very good initial impressions from their attire alone, while others fell far below what was expected. The salesmen who made a desirable impression were dressed in slacks, sport coats, and neckties. One salesman made an unquestionably outstanding impression by wearing a suit. Perhaps the season of the year had some effect on their dress, but this effect should have been more uniform than was the actual case. One salesman in particular received a very low rating for wearing a very poorly chosen sport shirt; with the collar worn open; jeans instead of slacks; and very casual shoes. Because this gentleman's dress was

unexpected, he was mistaken for another prospect on the showroom floor. With a resulting average this high, the salesmen appear to be dressed well. Certainly with the variations cited, there could be room for improvement, but obviously some stress must already be put on attire.

Question 1-B: "What is his speed in getting acquainted with the prospect?"

Salesman's Number

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 Rating Received 5 8 8 10 5 10 7 8 3 8 8 6 10 5 10 7 8 10 10 10 Average = 7.8

This question, as seen in the above illustration, received ratings ranging from 3 to 10, with an overall average of 7.8. Some salesmen gave a good initial greeting and introduced themselves immediately upon the interviewer's arrival. Some salesmen failed to introduce themselves until the conversation had been underway for quite a few minutes. One salesman, in particular, did not offer his name until he was ready to ask the interviewer's name to write on the contract. This average is lower than it should be. How rapidly the salesman becomes acquainted with the prospect is important in establishing a friendly rapport with him. The introduction performance of these salesmen can be improved. It should go hand-in-hand with a well-dressed appearance to further his acceptance by the prospect.

Question 1-C: "How welcoming is his initial greeting?"

	Salesman's Number																		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
	Rating Received																		
7	8	6	5	8	10	8	8	4	8	8	8	8	8	8	10	10	10	8	8
	Average = 7.9																		

This question received ratings ranging from 4 to 10, with an overall average of 7.9. One salesman's first opening remark in greeting the interviewer was, "That's the right car for you." He put himself in a very positive position by introducing himself following this opening remark. Another salesman began by saying, "Good morning. Which car can I sell you today?" His manner was warm and friendly without actually being pretentious. Some salesmen began with a warm opening, while others were quite indifferent toward the interviewer upon their initial meeting. These results leave some room for improvement. They show that even if an introduction is not rapidly made, a greater effort is being made to better the initial greeting by being more cordial in their opening remarks.

Question 1-D: "What is his general attitude as perceived by the evaluation towards himself or the prospect?" Salesman's Number 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 Rating Received 6 9 6 6 8 10 8 7 5 8 10 10 8 9 10 8 10 10 9 8 Average = 8.2 This question received ratings ranging from 5 to 10, with the overall average being 8.2. These results seem to complement the previous ones. It appeared during the course of evaluation that, with few exceptions, the initial greeting of the salesman seemed to typify his general attitude, as perceived by the interviewer, towards him throughout the conversation. Comparing this average with the others under question one, it appears the salesmen warm up slightly to the prospect. They seem to give a good overall feeling of welcoming, but could give the prospect an improved impression with some effort. Perhaps more emphasis needs to be placed by the dealership on the overall cordiality of the salesmen.

"How well does the salesman gain and Question 2: hold the prospect's attention?" Salesman's Number 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 1 2 3 45 Rating Received 9 10 8 9 10 9 10 8 6 9 10 7 10 8 9 9 9 10 10 10 Average = 9.0

This question received ratings ranging from 6 to 10, with an overall average being 9.0. Generally, the initial impression of the prospect often seemed to determine how well the salesman would gain and hold his attention. Thus, there was a direct correlation between the warmth of a salesman's manner and the degree to which his words were received.

Some salesmen would not be clear in their answers or did not give sincere concentration to what the prospect had to say. They seemed to evade looking the prospect directly in the Some salesmen benefited themselves by allowing the eyes. interviewer more than his turn to talk. In doing so, the salesman directed the trend of the conversation whenever he spoke, yet allowed the interviewer this free feeling. Some salesmen would hold the interviewer's attention by pointing to the detailing and quality control of the car at hand. These would be used as conversation points to direct attention to the value and pride of ownership potential of the particular car. The interviewer was frequently assured he must never apologize for owning it. He would be proud to own such a quality car for a variety of reasons--ones he could see, know, and appreciate through ownership. Through a demonstration drive, many salesmen were able to hold the prospect's attention longer, enhancing particular aspects There was really only one salesman who could be of the car. termed low in this area. With all the attention-getting ability of today's cars, it would seem not too difficult to somehow hold onto a person's attention.

Question 3:							"How would you rate the salesman's overall presentation?"												
	Salesman's Number																		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
							Rat	ing	g Re	ece	ived	L							
7	9	8	8	9	9	8	7	6	8	9	7	9	8	8	8	9	9	9	8
	Average = 8.1																		

This question received ratings from 6 to 9, with an overall average of 8.1. The results seem to show the extent of a salesman's ability to hold the interviewer's attention. Some salesmen tied in many details in their presentation in a blanket-like manner. This was applied by discussing details of the car, its options, its objectionable points, its resale value, its appearance and styling, etc. These were all presented in such a manner as to make a complete and satisfactory sale to the interviewer. One salesman was especially impressive in his presentation because, besides attempting to present the car, he attempted to sell the prospect on the service department of the dealership, since the interviewer had questioned the service available for that particular car. This approach was very effective and did improve the interviewer's confidence. One salesman made it a particular point to take a positive approach in his presentation. He continually strived to get the interviewer to say "yes" to his various questions. These were such positively stated question as, "This car has beautiful styling, doesn't it?" or on the demonstration drive, "This

car steers very well, doesn't it?" This presentation manner was unique and impressive enough to set this salesman apart from many others.¹⁴ Each salesman who attempted to make his presentation unique and special in some way was evaluated accordingly for the special effort and fore-This question's results are somewhat lower than thought. they should be for successful salesmen. If they tie together all facets of persuasive selling techniques, they should consistently gain a higher rating in this area. From the interviewer's viewpoint, each situation was only one exposure to each of these men's techniques viewed together. Each prospect varies, and how well each salesman adapts to him depends on many factors. If perhaps a salesman were to grasp more quickly clues given by each prospect, he could tie his overall presentation together better to make it more effective than it appears here.

"How well does the salesman attempt to Question 4: maximize the sale?" Salesman's Number 2 9 10 11 12 13 14 15 16 17 18 19 20 1 3 4 5 6 78 Rating Received 6 10 8 99 8 7 6 7 8 10 8 8 7 8 8 8 10 9 8 Average = 8.1

This question received ratings ranging from 6 to 10, with ¹⁴W. Clement Stone, <u>The Success System That Never</u> Fails (Englewood Cliffs, N.J.: Prentice-Hall, Inc., 1962), p. 171. This is an application of Mr. Stone's teaching for success in selling through a Positive Mental Attitude (PMA).

an average of 8.1. During the research, the interviewer was presented with a wide variety of options on the automobiles sampled. Some salesmen would present these as great conveniences, while others presented them as nowgained conveniences and also as a consideration of greater value when it came time for trade-in of the automobile. Options were presented by some salesmen as sound and rational investments, while others presented them as added motivations for buying and owning a particular car. Some made it a rule to point out each option accompanying the car, while others only discussed them when the interviewer questioned them. These instances point out some good effort apparently is being made in trying to maximize a sell. This is an excellent practice, but there are certain situations when this may not be desirable; i.e., a prospect looking for the most economical car to purchase. It would therefore be profitable for the salesman to evaluate his prospect more closely and decide which options about an automobile he should attempt to maximize.

"How well does the salesman attempt to Question 5: influence the prospect through emotions?" Salesman's Number 9 10 11 12 13 14 15 16 17 18 19 20 56 7 8 1 2 3 4 Rating Received 8 8 57 5 7 6 6 5 6 8 4 7 6 7 8 5 8 7 G Average = 6.6

This question received ratings ranging from 4 to 9, with an overall average of 6.6. Some options were used as emotional points when stressing the comfort and pride of ownership inherent in the car. A variety of emotional appeals was presented by the salesmen. Each presented various emotions in attempting to influence the interviewer; however, the amount in each situation varied depending on the extent and success of the appeal to the interviewer's logic. Some used the idea his car would make the interviewer more youthful and desirable. One salesman pointed out the fact it may very well make him more sexy. Another stressed the thrill of power his car offered. Some of these emotional appeals were selected to be purposeful, while some were merely thrown in as an attempt to further influence the interviewer. These salesmen tended not to be excessive in using emotional tones and enhanced their overall effectiveness for it. Many salesmen realize an excessive emotional appeal to the prospect would probably not help their chances for a sale and did hold its use to a The training and experience of a salesman will minimum. many times give him an insight into just how much emotion should be used in each sale.

		Que	sti	on	6:	"How well does the salesman use the prospect's objections to gain an insight into his point of view?"													
	Salesman [®] s Number																		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
							Rat	ing	Re	ecei	.vec	L							
6	8	7	7	9	8	8	7	6	8	9	7	8	7	8	7	8	8	8	9
							Av	era	ge	= 7	.7								

This question received ratings ranging from 6 to 9, with an overall average of 7.7. More than with emotions, a salesman's use of logic seemed to be better studied and prepared. More emphasis seemed to be placed in this area, as it was involved with more of their sales presentation. When an objection was presented, it was integrated and logically rebutted to add to agreements favoring the car. Overall, the better the objections were handled, the better the presentation was. When some salesmen were presented with objections, they would hesitate, while others would come forth with an answer almost immediately. It seemed some salesmen failed to allow for objections and had no prior plans. One topic several salesmen were hesitant to confront concerned many of the same criticisms Ralph Nader, a current nationally known critic of auto safety and styling, has of today's automobiles; i.e., one stumbling block of many of these salesmen was justifying the car's scanty bumpers.¹⁵

¹⁵Ralph Nader, <u>Unsafe At Any Speed</u> (New York: Grossman Publishers, 1965), p. xi. Mr. Nader is an attorney, who was graduated from Princeton University and Harvard Law

Still, some salesmen used logic which could not be easily refuted, such as the financial soundness of investing in their car at that time. It seemed another safe and logical argument was the overall soundness and safety of the car. Some salesmen carried this last area to great lengths by pointing out to the interviewer all the features which made it a safe and secure buy. Some salesmen had cars about which they rationally argued economy of operation, or maintenance, or insurance premiums. It seemed, overall, the better they listened to objections, the more effectively they could present logical points giving reasons for satisfying the prospect's needs by purchase of his car.

		Que	sti	on	7:	"Does the salesman attempt to make any positive action to bring about a closure of the sale?"													
	Salesman's Number																		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
							Rat	ing	; Re	ecei	.veċ	l							
7	9	7	9	8	8	7	8	10	7	9	8	9	9	8	8	8	8	8	9
	Average = 8.2																		

This question received ratings ranging from 7 to 10, with an overall average of 8.2. During the research, when the conversation between the two parties neared the point of

School. He was an advisor to the Senate subcommittee investigating automobile hazards, and has also been a consultant to governmental agencies, legislative committees, and universities. He is the author of articles and lectures concerning many needed improvements in automotive safety and design.

closure, some salesmen fumbled. This is understandable, because it is difficult to know the exact moment when the prospect is conditioned enough to ask him to buy. Some salesmen would not take "no" for an answer, but others graciously accepted the fact when the researcher said it. Upon receiving a "no" answer, some salesmen would consider it as only tentative and proceed to review the points they felt had been received well. In this attempt to further a "yes" answer, some salesmen would present new viewpoints to the interviewer's previous reactions. They would again ask questions to which it was difficult for the interviewer to give a negative answer. When the salesmen could see clearly the conversation had definitely come to a point of no more development, some would say they would appreciate talking with the prospect again and said nothing but, "Thank you for coming in" or "It was nice to have made your acquaintance." These results show widespread usage of good closing techniques. Here the salesmen may have put more emphasis on reasoning and logic to draw a tighter conclu-There are times when a prospect is difficult to pin sion. down to a sale, but better analysis throughout the sales presentation and review of past sales situations should help in raising the amount of positive action taken in closing all future sales.

		Que	sti	on	8:	th sa	low e p le cou	ros was	pec ma	ct i ade	n a	a sł	ıort	; ti	ime ;	, if	n n	-	
						S	ale	sma	n°s	s Ni	mbe	er							
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
							Rat	ing	Re	ecei	.već	1							
3	4	10	3	3	4	9	3	3	3	3	9	10	3	3	3	3	3	3	9
							Av	era	ge	= /	1.7								

This question received ratings ranging from 3 to 10, with an overall average of 4.7. This result shows poor followup techniques. The interviewer purposefully left his name and address with the salesmen to allow no excuse for not making a follow up if one was normally made. In showing what they said or inferred in the closing of the sale, only a few of the salesmen made actual follow ups. Two salesmen contacted the interviewer by telephone and only one paid a personal visit to discuss his interest in the interviewer's purchase of a car from him.

The evaluation given to each of these 20 salesmen is presented in Table 1 on the following page. These are the same results which were exhibited separately with each question's results and here summarized in order to allow a clearer picture of the results.

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Results of Researcher's Evaluations

								Sa	les	mar	ı's	Nun	nbei	r.					a China (madan		
Question Number		2	3	4	5	6	7	-					13	-	15	16	17	18	19	20	Avg.
1-A. Rate his appearance?	9	10	10	5	10	10	10	10	6	6	10	8	10	7	10	10	8	10	10	10	9.0.
1-B. Speed in getting acquainted?	5	8	8	10	5	10	7	8	3	8	8	6	10	5	10	7	8	10	10	10	7.8
1-C. How wel- coming initial attitude?	7	8	6	5	8	10	8	8	4	8	8	8	8	8	8	10	10	10	8	8	7.9
1-D. General attitude per- ceived by evaluator?	6	9	6	6	8	10	8	7	5	8	10	10	8	9	10	8	10	10	9	8	8.2
2. Gain and hold prospect's attention?	9	10	8	9	10	9	10	8	6	9	10	7	10	8	9	9	9	10	10	10	9.0
<pre>3. Salesman's overall presen- tation?</pre>	7	9	8	8	9	9	8	7	6	8	9	7	9	8	8	8	9	9	9	8	8.1
4. Did he attempt to maximize sell?	6	10	8	9	9	8	7	6	7	8	10	8	8	7	8	8	8	10	9	8	8.1
5. Influence prospect through emotion?	4	7	6	8	8	7	8	5	5	7	8	5	7	6	6	5	6	8	Ţ	9	6.6

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Table 1 (continued)

								Sa	les	mar	ı's	Nur	nber	,							
Question Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Avg.
6. Logically use prospect's objections?	6	8	7	7	9	8	8	7	6	8	9	7	8	7	8	7	8	8	8	9	7.7
7. Positive action at sale closure?	7	9	7	9	8	8	7	8	10	7	9	8	9	9	8	8	8	8	8	9	8.2
8. How well follow up prospect?	3	4	10	3	3	4	9	3	3	3	3	9	10	3	3	3	3	3	3	9	4.7

To proceed with the second phase of this paper's research, these same evaluation questionnaires were completed on each of the same 20 salesmen by the new-car sales managers at each of the respective dealerships. These evaluations were completed by the managers from their knowledge of these men. These evaluations are not from one exposure to these men's performances, but rather from what their managers have observed from the beginning of their employment with their dealership. The overall results obtained from this research are presented in Table 2 on the following page. Table 2 is constructed in exactly the same format as Table 1 for comparison and analysis purposes.

In reading Table 2 and comparing it with Table 1, a slightly different impression can be seen in the individual ratings and in the overall averages of the 11 evaluation areas. As can be seen from the computed averages, each evaluation by the sales managers appears slightly more critical. For the same reasons stated in the results discussion and shown in Table 1, the majority of averages would have nearly the same comments in an explanation. Only those of higher averages--Questions 1-D and 8--would have different reasons behind them, as to comparison, for having these results.

Table 2	Τa	abl	e a	2
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Results of Sales Managers' Evaluations

								Sa	les	smar	n's	Nur	nbei	r							
Question Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Avg.
1-A. Rate his appearance?	4	10	8	9	6	10	10	7	6	9	10	4	10	5	8	4	8	9	5	6	7.4
1-B. Speed in getting acquainted?	4	10	7	8	7	10	5	8	6	7	2	7	10	10	10	8	10	7	7	8	7.5
1-C. How wel- coming initial attitude?	2	10	7	7	7	8	9	8	2	8	3	8	9	9	10	8	10	9	5	8	7.4
1-D. General attitude per- ceived by evaluator?	6	10	9	4	7	9	10		9	8	9	8	9	6	10	8	9	9	9	8	8.3
2. Gain and hold prospect's attention?	5	5	8	9	6		5	8	-		-	10	9				9	8	8	9	7.2
3. Salesman's overall presen- tation?	6	6	7	7	7	10	8	8	5	10	5	8	10	6	9	3	9	8	5	8	7.3
4. Did he attempt to maximize sell?	2	j	6	6	7	9	5	8	3	6	10	10	10	5	10	3	10	6	7	7	6.6

 $\frac{\omega}{5}$

Table 2 (continued)

								Sa	les	smar	ı's	Nur	aber	7							
Question Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Avg.
5. Influence prospect through emotion?	2	1	7	5	8	7	3	3	5	5	5	8	9	4	5	3	9	5	7	7	5.4
6. Logically use prospect's objections?	7	1	7	8	9	9	5	5	3	8	10	8	10	1	10	2	9	5	8	7	7.5
7. Positive action at sale closure?	4	f ^{anne} .	9	4	9	9	9	8	6	7	10	9	10	4	10	3	10	6	6	9	6.3
8. How well follow up prospect?	2	3	6	8	9	8	10	2	2	5	10	9	9	4	10	8	6	7	4	9	6.6

Question 1-D: "What is his general attitude, as perceived by the evaluator, towards himself or the prospect?" Salesman's Number 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 Rating Received 6 10 9 4 7 9 10 8 9 8 9 8 9 6 10 8 9 9 9 8 Average = 8.3

This question received ratings ranging from 4 to 10, with an overall average of 8.3. A salesman's attitude is of critical importance to the dealership. A sales manager is in a different position to perceive exactly what a salesman's attitude is towards a prospect, since he is not involved directly with the conversation between them. He would necessarily place stress on his salesmen having a good general attitude towards the prospect, but his judging of it is a little more difficult than for a prospect to do A salesman's general attitude towards different prosit. pects would have been observed many times over by him, hence his idea of exactly what it is may be more critical. This may account, then, for the closer ratings overall of these 20 salesmen in comparison with the interviewer's This rating, then, is not exactly the same when ratings. observed from these two viewpoints, but is comparable in a general sense for the question studied by this paper's research.

	,	Que	sti	on	8:	sa	ow e p le cou	ros was	pe o ma	et : ade	in e	a sł	lort	; ti	.me	, if	? no	-	
						S	ale	sma	۳۰	5 N1	ımbe	er							
1	2	3	4	5	6	7	8	9	10	'11	12	13	14	15	16	17	18	19	20
							Rat	ing	; Re	ece	iveć	l							
2	3	6	8	9	8	10	2	2	5	10	9	9	4	10	8	6	7	4	9
							Av	era	ıge	= 6	5.6								

This question received ratings ranging from 2 to 10, with an overall average of 6.6. This higher average may be because of the manager's experience and knowledge of the particular salesman. How much follow up a salesman does may depend upon the individual situation in dealing with the prospect. In comparing the averages, the salesman may or may not have felt a follow up would be worthwhile. If no sale were made, he may have been selective in the amount of follow up work he does. This higher rating, then, would seem to give a clearer picture than was shown by the former evaluation and shows, too, that the percentage of follow ups made may be higher overall.

In looking at Tables 1 and 2, it does not seem this form of presentation and discussion fully shows the difference between the two evaluation samples. Therefore, to help better determine the amount of difference or agreement and draw a more conclusive picture of these results, some form of testing must be used. The testing of these results will determine more precisely how closely the two

sets of independent observations agree. Because if it can be determined these two sets of observations arrive at the same conclusions, it seems likely these conclusions are sound. Because these results are paired ratings, comparable question by question, and are taken from the same population, two statistical tests can be well applied in showing the comparability or statistical difference of the two resulting sets of evaluations.

The first statistical test applied to the data contained in Tables 1 and 2 is the Sign Test.¹⁶ The sign test compares two matched sets of observations. The test is used in this application by comparing the median of each evaluation question from both sets of observations in Tables 1 and 2 to determine the closeness of one median to the other, and thereby giving a picture of the similarity between the results.

The Sign Test is presented as follows: (1) Hypotheses: Median Sample #1 = Median Sample #2. (2) Level of Significance: $\alpha = 0.05$, arbitrarily selected. (3) Testing Statistic: $\chi = (\frac{\ln 1 - \ln 2}{\ln 1 + \ln 2})^2$ $n_1 = number of pluses$ $n_2 = number of minuses$

 16 Steel and Torrie, <u>Principles and Procedures of</u> <u>Statistics</u> (New York: McGraw-Hill, 1960), p. 401. 17 The values of n₁ + n₂ are found in the paired sets of observations when subtracting the second set of observations from the first set. An example of the computation is contained in Appendix C.

The second statistical test applied to the data contained in Tables 1 and 2 is the Median Test for Two Samples.¹⁸ The median test for two samples is used to test if two samples drawn from the same population have identical distributions. The test is used, in this application, to determine if the observations received, as comparable for each question from the two sets of results, have identical distributions. The advantage in using this test for this data is to gain a better look at the distribution picture. The medians, as tested by the sign test, are the same; but by using this stronger, more sensitive test, the amount of similarity between the results can be determined better through looking at each question's median and distribution.

The Median Test for Two Samples is presented as follows:

- Hypotheses: Distribution₁ = Distribution₂
 Level of Significance: A = 0.05, arbitrarily selected
 Testing Statistic: X₁ = (a₁b₂ a₂b₁)² n n₁ n₂ m₁ m₂
 a₁ = Number of observations from the first set of
 - a = Number of observations from the first set of data which lie above the median of the two combined sets of data.
 - a₂ = Number of observations from the second set of data which lie above the median of the two combined sets of data.

¹⁸Ya-lun Chou, <u>Statistical Analysis with Business</u> and <u>Economic Applications (New York: Holt, Rinehart, and</u> Winston, Inc., 1969), p. 465.

- by = Number of observations from the first set of data which lie below the median of the two combined sets of data.
- b₂ = Number of observations from the second set of data which lie below the median of the two combined sets of data.
- n₁ = Total number of observations in the first set
 of data.
- $n_2 = Total$ number of observations in the second set of data.
- m₁ = Total number of observations from both sets of data which lies above the median of the two combined sets of data.
- m₂ = Total number of observations from both sets of data which lie below the median of the two combined sets of data.

An example of the computation is contained in Appendix D.

By applying the observations contained in Tables 1 and 2 to both the Sign Test and Median Test for Two Samples, some interesting and informative results are developed. These results are presented on the following page.

In looking over Table 3 for the two tests by questions, there appears to be quite a confirmation in the results received. In the way each of these question's evaluations relate, there is definitely a high amount of agreement between the ratings given, with the exception of the significantly different ones starred, for the two independent sources of observation. The statistical study of these observations shows that there is a strong amount of agreement between the ratings given and the overall

					Questio						
Test	1-A	1 - B	1-C	1_ D	2	3	4	5	6	7	8
Sign Test χ^2	4.92*	60 。	0.0	₀ 07	8.33*	1.56	. 31	。44	₀06	0.0	1.39
Median Test χ_1^2	4°9 *	4.05	0.0	。107	3.75	1.6	2.56	2.5	。 107	。405	8.12

Statistical Comparisons

picture of these salesmen's performance as perceived by the two sets of observations.

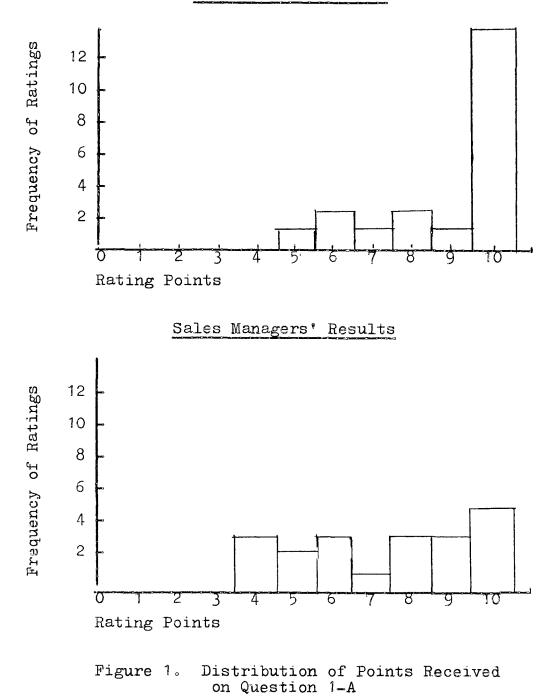
But what of those three questions in which there was a statistically significant difference in the ratings received? Why was there a difference?

Question 1-A, "How would you rate his appearance?" under both the sign and median test showed a significant difference between the ratings received from the researcher's and sales managers' samples. Here the sign test showed a significant difference in the median alone, while the median test showed a significant difference in both the median and the picture drawn by the distribution. In looking at these results more closely, an examination by comparison of the rating point frequencies¹⁹ of both the researcher's and sales managers' ratings used in both tests may make the differences discovered clearer (Figure 1, page 44).

It is obvious why the sign test showed up these two samples as having a significant difference in the medians. The researcher's results are shown to the right with a much higher median than those results of the sales managers. This same general picture appeared again in the median test, even though it is a stronger test which does not throw out comparable observations, and yet takes the

¹⁹Both sets of rating points are drawn from Tables 1 and 2, pages 32 and 35 respectively.

Researcher's Results

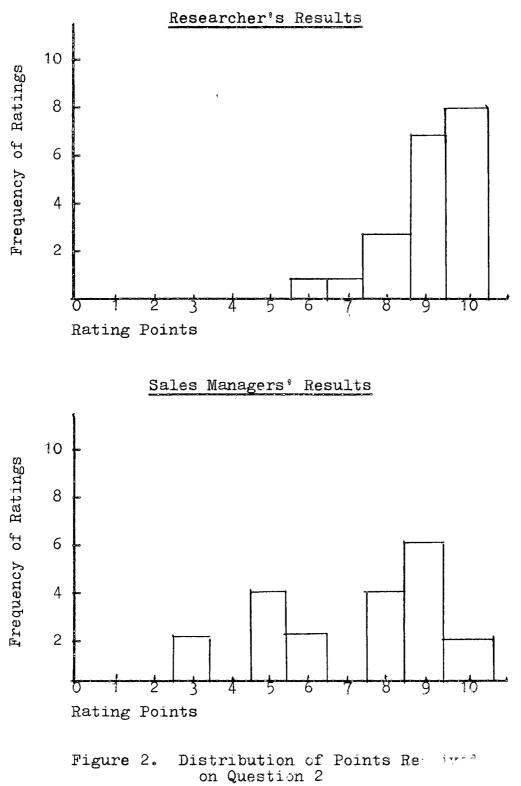


44

overall distribution more into account when testing for significant difference of the results.

After looking at these resulting difference in ratings, there appear two possible explanations from the human factor involved. First, the researcher was a clothing salesman by occupation, hence he may have possibly believed himself to be a better-than-average judge of another person's attire. Since he did have an idea of what these salesmen should wear to sell automobiles, he may have rated them higher in their dress from one exposure only. Secondly, the clothing the researcher saw the salesmen dressed in on the day of his visit may have been more the exception than the rule of what they generally wear to work. Too, the sales managers, in their continual exposure to the salesmen's dress, may have rated them from their overall exposure to the salesmen's general selling attire.

Question 2, "How well does the salesman gain and hold the prospect's attention?" showed a highly significant difference under the sign test and almost showed a significant difference, too, under the median test. The high result of 8.33 to the sign test can be explained by the fact that many of the differences between the two samples on this particular question computed to zero. This can be seen by referring to Table 5 in Appendix C. Because the sign test does not count zero in the computation to



determine the significance between samples, it left out many ratings and caused this level to rise above what a frequency distribution for this question would show.²⁰

This frequency distribution, then, shows quite a different spread than expected for developing such a high level of significance under the sign test. By looking at this distribution, the number of comparable observations dropped as zeros can be readily seen. The medians of this question can be checked again for significance by adding in half the zeros to the number of each sign used in the sign test computation (which is an acceptable practice) and yet it would not reduce the results below the significance level. The median test on this question's results was not thrown above the significance level, moreover, because it took into account the median and the distribution to override the comparable observation weakness of the sign test.

In looking over these resulting differences, as to such a high significance, there appear several reasons for the difference in the ratings received. First, there is a great difference in being a research participant and being an outside observer when rating how well a salesman holds a customer's attention. Secondly, the researcher, in participating, may have given each salesman more of his

 $^{^{20}{}}_{\rm Both}$ sets of rating points are drawn from Tables 1 and 2, pages 32 and 35 respectively.

interest than many prospects do. Therefore, he had his attention fixed better on the salesman. In so doing, the researcher may have tended to overrate some of the salesmen by giving them this additional cooperation to improve their performance in holding his attention during this time.

Question 8, "How well does the salesman follow up the prospect in a short time, if no sale was made during their first encounter?" under the sign test failed to show any significant difference between the medians of the two samples. Why it failed is obvious when one looks at a frequency distribution for the question ratings by each sample.²¹ (See Figure 3, page 49.)

Here it can be seen how the sign test cancelled out enough identical observations to show it less than significant. However, under the median test, the median and distribution were considered together in computing such a high significance level of 8.12. This is a unique situation in looking at the way the researcher's results are clustered while the sales managers' results are spread out over most of the range of ratings possible. The salesmen may make more follow ups than the researcher's age, they may not have thought a follow up was worthwhile in

²¹Both sets of rating points are drawn from Tables 1 and 2, pages 32 and 35 respectively.

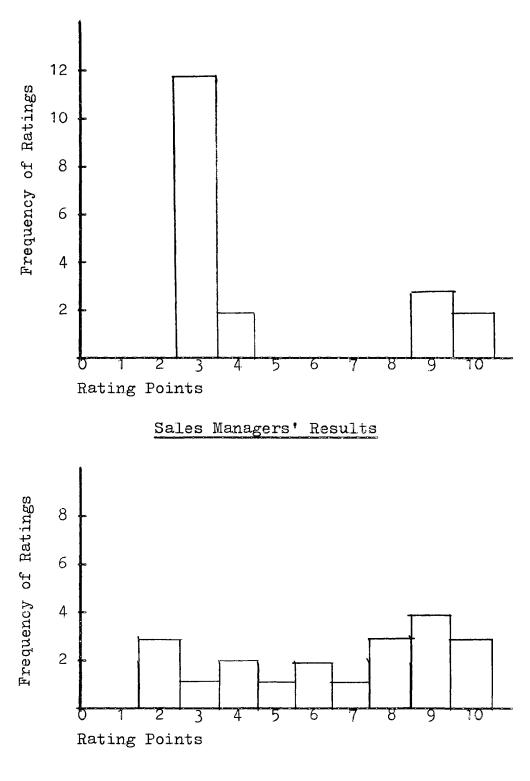


Figure 3. Distribution of Points Received on Question 8

this instance. Moreover, they do seem to make some follow ups, as was indicated by the sales managers' ratings.

As has been stated and shown in this chapter, there is quite a good overall agreement as to the significance of the conclusions reached by the two independent sets of observations. It could be said that, concerning statistical significance of the conclusions, complete agreement was reached if it were not for the three exceptions discussed. In attempting to determine the reasons behind these significant differences, much can be understood by looking at the rating point frequency distributions and their explanations. Now, realizing the soundness or significance in comparing these results to each other, the remainder of this paper will incorporate these results and answer, as well as possible, the hypothesis stated in Chapter 1: "Are the automobile salesmen of Missoula, Montana, effectively applying and using today's best sales techniques?"

Chapter 3

SUMMARY AND RECOMMENDATIONS

Today's automobile industry, because of its growth and development, demands better salesmen for its product than many other mass-production industries. They must be capable and aggressive. Furthermore, they must continually develop skills and knowledge and then follow through by applying them more effectively than ever before. This emphasis was the idea behind the question posed by this paper.

Before reaching any conclusions on the results received in researching this paper's hypothesis and how these results may be studied for future applicability, some limitations must necessarily be considered. This study was done on a pilot-study basis. As such, it was limited in its size and in the area studied. With only one person conducting the interviewing in Missoula's 11 new-car dealerships, the 20 salesmen interviewed seemed the largest number of successful interviews possible. The number of interviews was also limited to new-car dealerships for reasons of uniformity of results. The techniques practiced by new-car dealerships are sometimes

different, but are more similar than those practiced in exclusively used-car dealerships. The time covered by this study was limited to one month to allow for a minimum of variations in the dealership sales practices. This time of year was a very typical time for a prospect to go shopping. Also, this time was desirable before the salesmen changed their tactics for the year-end sales later in the 1970 model year. During this one month's time, many of the outside variables, such as those of the environment and economy, did not change substantially.

Considering the above limitations, these questions were designed for an evaluation in only the basic areas of salesmanship practices. These evaluation questions were designed in such a manner as to allow a comparison when asked from two separate and often differing viewpoints. These results have been presented and discussed in the previous chapter, but no final conclusions have been reached. Also, the statistical tests discussed showed these two independent sets of observations are quite close in the significance of their results.

The overall results from these two sets of observations can best be reviewed from a comparison made of the overall averages computed from each set of questions. These are presented on the following page.

With a rating of 10 being the best application and use made of the particular technique and 1 being the

poorest, there appears an overall good application made of today's best automobile selling techniques. The particular areas where there could be improvements made are evident from these overall averages. These results have been discussed before in Chapter 2 for each set, and to present that discussion again would not show any more evidence.

Table 4	\mathbf{T}	a	Ъ	1	9	4
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Observations pummar	servations Summai	ry	
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				v		on Mi					
	1-A	1-E	1C	. – J)	2	3	4	5	б	7	8
Researcher's Results	9,0	7.8	7.9	8.2	9.0	8.1	8.1	6.6	7.7	8.2	4 - 1
Sales Manager's Results	7.4	7.5	7.4	8,3	7.2	7.3	6.6	5.4	7.5	6.3	6.6

In viewing these results overall, these salesmen perform well in making the prospect feel welcome, in gaining and holding the prospect's attention, in giving their overall sales presentation, and in logically using the prospect's objections to gain an insight into his point of view. The areas in which the salesmen could improve their selling performances are in endeavoring to maximize the sell, in the better selection and use of emotional influences, in striving to make any positive action to close a sale, and in using follow ups to benefit their selling

attempts. Generally, the salesmen's performance could benefit to a great degree by attempting to improve in one or more areas questioned by this paper. The amount or extent of improvement made in these weaker areas depends on the salesmen themselves and the encouragement and criticism of their dealership management.

These results are interesting and informative, but the conclusions reached from them are really quite general, and at the outset can only be inferences due to the limitations of this type of study. Those areas in which the salesmen showed weaknesses could possibly become the takeoff point for some type of future study. Some researchers may study these areas to determine why their performance was low and what may be suggested for improvement in them. Overall, it can be said there were good salesmanship practices being applied and practiced by the automobile salesmen of Missoula, Montana. Differences in the application of these techniques have been discussed as found, but the exact degree of improvement necessary in each area cannot be determined from these results. In conclusion, points made by this study must only be considered as inferences. Only by further detailed studies could more exacting conclusions be made than those reached here.

APPENDIX A

AN INDEX OF NEW-AUTOMOBILE SALESMANSHIP

Interview No.

Background Information

Date	Time	Duration	
Salesman		_ Approx.	Age
Dealership			

<u>Evaluation Questions</u>: Please rank each of these questions on the scale below by checking the applicable blank space having a value of 1 to 10 from left to right. Additional comments may be made after each evaluation question to further clarify each ranking given.

- How well does the salesman give a feeling of being welcome? Evaluate this question in the four following categories:
 - A. How would you rank his appearance?

Slovenly ____ Fastidious

B. What is his speed in getting acquainted with the prospect?

No introduction _____ Immediate

C. How welcoming is his initial greeting?

Cold _____ Warmhearted

D. What is his general attitude towards the prospect as perceived by the interviewer?

Hostile _ _ _ _ Cordial

2. How well does the salesman gain and hold the prospect's attention?

Loses interest _____ Holds well

3.	How would you rank the salesman's overall presenta- tion?
	200% Excellent
4.	How well does the salesman attempt to maximize his sell?
	Fails to suggest Always suggests
5.	How well does the salesman attempt to influence the prospect through emotions?
	Never uses Maximizes
6.	How well does the salesman logically use the pros- pect's objections to gain an insight into his point of view?
	Fails to listen Excels
7.	Does the salesman attempt to make any positive action to bring about a closure of the sale?
	Never attempts Affirmatively attempts
8.	How well does the salesman follow up the prospect in a short time, if no sale was made during their first encounter?
	Never follows up Invariably follows up
Note	e: If the evaluator desires to make any additional

Note: If the evaluator desires to make any additional comments about the salesman, please state them below.

Evaluator's Signature_____

APPENDIX B

EVALUATION QUESTIONS SUPPLEMENT SHEET

- Note: These are additional questions and explanations for the evaluator to help clarify his thinking.
- Q #1: This one is quite self-explanatory with the four separate categories.
- Q #2: A. What are the attention values he uses in words, sentences, and delivery?
 - B. What is his demonstrating ability, i.e., such as on a demonstration drive?
 - C. What amount of product knowledge does he show?
- Q #3: A. Does he present a rational argument to the prospect's objections?
 - B. Does he use these objections to clarify and develop a pattern in his reasoning?
- Q #4: A. Does the salesman suggest possible options on the automobile to the prospect?
 - B. Does he show the prospect the value and convenience gained by each available option?
 - C. Overall does he attempt to sell the options available to increase the profit margin on the automobile?
- Q #5: A. Does he make suggestions or comments of motivation and/or value?
 - B. Does he attempt to reduce any cognitial dissonance in the prospect's mind?
 - C. Does he select emotional values appropriate for the individual prospect?
- Q #6: A. Does he welcome sales resistance?
 - B. Does he appear to make plans to counter unusual objections or does he stumble on them?
 - C. Overall, how well does he handle objections?

- D. Does he ever make excuses or retreat due to a prospect's objections or questions?
- Q #7: A. Does he rush the prospect on?
 - B. Does he try to get commitments from presently non-buyers?
 - C. Does he bring in extra or reserve appeals to possibly help clench the sale?
- Q #8: A. Does he ask for the prospect's name, address, or possibly his place of employment?
 - B. Does he ask when he could possibly see the prospect again?
 - C. Does he make a search for another proposal to present the prospect with, i.e., such as another automobile to counter some of the prospect's former objections?

APPENDIX C

PROCEDURE USED IN COMPUTING THE RESULTS OF THE SIGN TEST

To illustrate the procedure used in computing the results arrived at by the sign test, consider the evaluation results received for Question 3. These are the resulting differences computing in subtracting the results for the sales manager's evaluation from those received for the researcher's evaluations. In referring to Table 5 on the following page, the differences between the two sample results for Question 3 appear as follows: 1, 3, 1, 1, 2, -1, 0, -1, 1, -2, 4, 0, -1, 2, -1, 5, 0, 1, 4, and 0. There are 11 pluses and five minuses.

In applying the above results from Question 3 to the testing statistic of the sign test, the results appear as follows:

Since the significance level is 3.84 at $\alpha = 0.05$, the resulting answer of 1.56 is less than this amount and there is clearly not a significant difference between the median of each sample for this question. Moreover, the results of these two samples for this question are statistically close in their evaluation.

Table	5
-------	---

Sales- man's					Quest	ion	Number				
Number	1-A	1-B	1-C	1-D	2	3	4	5	6	7	8
1	5	1	5	0	4	1	4	2		3	1
2	0	-2	-2	-1	5	3	9	6	7	8	-
3	2	1	-1	-3	0	1	2	-1	0	-2	4
4	-4	2	2	2	0	1	3	2	~ 1	5	-5
5	4	-2	1	1	4	2	2	0	0	Î	-6
6	0	0	2	1	0	- 1	- 1	0		1	-4
7	0	2	1	-2	5	0	2	5	3	2	- 1
8	3	0	0	- 1	0	-1	-2	2	2	0	- 1
9	0	-3	2	-4	3	1	4	0	3	4	<u>م</u>
10	-3	1	0	0	3	-2	2	2	0	0	-2
11	0	6	5	1	0	4	0	3		•=== ``]	-7
12	4	-1	0	2	-3	0	-2	-3	-1	- 1	0
13	0	0	-1	-1	1		-2	-2	-2	.4 	Ĵ.
14	2	-5	-1	3	3	2	2	2	6	5	aco 1
15	2	0	-2	0	0	_1	-4	٦	-2	-2	-7
16	6	_1	2	0	6	5	5	2	5	5	-5
17	0	- 2	0	-1	0	0	-2	-3		-2	-3
18	1	3	1	1	2	1	4	3	3	2	
19	5	3	3	0	1	4	2	0	0	2	an
20	4	2	0	0	1	0	1	2	2	0	0
Number of + and - Differences by Column											
	11+	9+	8+	7+	12+	11+	• 13+	12+	8+	8+	6+
	2-	7-	7-	7-	1-	5-	. 6	4-	8-	9-	12-
	*N ₁ = Researcher's Results										

Sign Test--Sample Differences $N_1 - N_2^*$

 $N_2 = Sales Manager's Results$

APPENDIX D

PROCEDURE USED IN COMPUTING RESULTS FROM MEDIAN TEST FOR TWO SAMPLES

To illustrate the procedure used in computing the results arrived at by the median test for two samples, consider the evaluation results received for Question 3. This question's results are presented in the table below, as taken from Tables 1 and 2, as follows:

Table 6

1	2	Array of	d 2
Researcher's	Sales Manager's	1 an	
Results	Results	Resu	
7 9 8 8 9 9 8 7 6 8 9 7 9 8 8 8 9 9 9 8 8 8 9 9 9 8 8 8 9 9 9 8 8 8 9 9 9 8 7 9 8 8 9 9 8 8 7 9 9 8 8 7 9 9 8 8 7 9 8 8 9 9 8 8 7 9 9 8 8 7 9 9 8 7 7 9 8 8 9 9 8 8 7 9 9 8 7 7 9 8 8 9 9 8 8 7 9 9 8 7 7 9 8 8 9 9 8 8 7 9 9 8 7 7 9 8 8 9 9 8 8 7 9 9 8 7 7 9 8 8 7 9 9 8 7 7 9 8 8 7 9 9 8 7 7 9 8 8 7 9 9 8 7 9 9 8 7 7 9 8 8 9 9 8 7 7 9 8 8 7 9 8 8 9 9 8 7 9 8 8 7 9 8 8 7 9 8 8 7 9 8 8 9 7 9 8 8 7 9 9 8 8 7 9 9 8 8 9 7 9 8 8 9 7 9 8 8 8 9 7 9 8 8 9 7 9 8 8 8 9 9 9 9	6 6 7 7 7 7 10 8 8 5 10 5 8 10 5 8 10 6 9 3 9 8 5 8	10 10 9999999999988888888888888888888888	8888877777666665553

Evaluation Results Received for Question 3, as Taken from Tables 1 and 2 From the above table there computes:

n ₁	11	20		r	12 =	20	nı	I	40
m	1	8	(median	of	c om	bined	samples)		
a ₁	R	12		8	¹ 2 =	8	m ₁	-	20
b ₁	E	8		1	o ₂ =	12	m ₂	12	20

These data are presented in the following table.

	Ta	ble	7
--	----	-----	---

	1	2	Total
Above 8	12	8	20
Below 8	8	12	20
Total	20	20	, 40

Contingencies

The resulting computations from the median test for two samples appears as follows:

$$\chi_1^2 = \frac{(12^\circ \ 12 \ - \ 8^\circ \ 8)^2 \ 40}{20^\circ \ 20^\circ \ 20^\circ \ 20} = 1.6$$

Since the significance is at 3.84 at $\checkmark = 0.05$, the resulting answer of 1.6 is less than this amount to show there is clearly not a significant difference between the median and overall distribution of each sample for this question. Moreover, this shows the results of the two samples are statistically close in their evaluation.

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