

Training of In Shop Demonstrators for Consumer Durable Products: A Normative Framework

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Abstract

Normative framework is based on the research related to an ideal standard or model. It is the Prescriptive model which provides and evaluates alternative solutions to the problem. The suggested normative framework can be applicable to the entire consumer sector where products are sold by in-shop demonstrator (ISD). Suggested framework have been structured after going through views from industry experts, researcher's peer groups, extensive review of literature, two sources of data collection from secondary and primary research and moreover researcher is also from the same industry with more than 22 years of similar industry experience so researcher's personal experience and learning from practical knowledge is of significant importance for framing model for industry to follow. Researcher has come to this conclusion on suggested normative framework. In this model, researcher has used basic tools of management to overcome the problems arise in the path of ISD training programs to improve their productivity in the electronic stores. The contribution of such model enhances the social and economic benefits of the company. This model depicts the problems in implementing training programs to improve sales productivity of ISD at store level and its possible solutions to increase the benefits.

Keywords- Normative Framework, Consumer Durable Products, Training, Productivity, In – Shop Demonstrators (ISD)

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Introduction

In-shop demonstrators (ISD) are very important link between manufacturers and customers at store level where buying and selling happens. All companies have tried to train them on skills like product knowledge, communication, soft skills and grooming to gain maximum share at the store level.

There are mainly two ways of training ISD, Classroom training (CRT) and route training (RT). CRT refers to when ISD are called to some centralized place and given theoretical and practical training on new products, soft skills, point of sales materials (POSM) and revision of old trainings. Whereas RT refers to training ISD at their stores by trainers in front of products and takes practical demo, role plays by ISD.

This paper applies to all companies who recruit ISD at store level for first level of interaction with customers.

Against this backdrop, an attempt has been made in present paper which covers following objectives:

1. To develop the conceptual and normative framework of training programs on ISD of LED panel television.
2. To conduct cost benefit analysis of existing training programs in LED panel television industry.
3. To analyze the role of personal factors of ISD in effective training programs.
4. To assess effectiveness of training programs on sales performance of ISD.

Review of Literature

According to Vemic (2007), there is a gap between what we study in school and what is required at work. Training is required to fill this gap. Knowledge is reliable source to deal with uncertain business environment which is earned during training. Hence, it is important for all companies to give importance to training.

The main purpose of training and development is to improve employee's competencies so that organizations can maximize effectiveness and efficiencies of their human assets (Cole, 2002).

According to (Baldauf & Cravens, 2002), sales person behaviour performance is predictor of sales person performance and sales organization effectiveness.

Role-playing in sales training is acting like a real, actual sales situation. The trainer acts like a consumer and salesperson must convince trainer to purchase. The only reason the

role-playing in the sales training is not effective because the trainees do not take the training method seriously (Sheridan, 2014).

To be good salespeople one need not be born a successful sales person. Abilities and skills can be learnt. Successful selling consists for 80% on the attitude and motivation of the selling person and for 20% on his knowledge. Sales 80/20 rule can be formed in the sales process, in which 20% is sales technique and 80% is interaction with customer (Selin, 2007).

Lectures are traditional way of training many people with relatively low cost. Usually sales training lectures are accompanied by other back up methods such as presentations, videos and data tables. Often trainees are passive during lectures as they are not dynamic and can't create similar situations in selling jobs (Donaldson, 2007).

In one of the articles by Heebner (2000), "Grooming Professional Sales Associates", more emphasis was given on role play and practical on-the job training. In retail work, college degree may not be prerequisite to retail success. But success in retail work does require skills and knowledge, including communication skills, a product knowledge, commitment to team work, a neat appearance, ability to handle inventory and money. Retail premise made in such a way that it is inviting to customers.

Study refers to incentive schemes effect on the sales staff. "Carrot and stick" prevail within the sales and marketing fraternity. Sales people are motivated by the anticipated satisfaction which comes with performance rather than by performance itself, self-esteem has a direct effect on performance (Napier, 1986).

Research Methodology

United States business leaders spend \$ 15 billion per year on sales training (Lassak, Ingram, Kraus, & Mascio, 2012) but 50% of these salespeople fail to reach their annual sales targets (Boichuk et al., 2014). The general business problem is that companies are experiencing smaller returns on their training and development investments in sales professionals.

Researcher's studies have been divided into two phases, exploratory research design and causal research design. For the data collection purpose, questionnaire's respondents were chosen from selected LED panel television stores in Delhi & NCR.

For ISD, non-probabilistic sampling method of convenience was used for selecting ISD in the sample.

Both primary and secondary data were used by the researcher. In this study primary data

has been collected through questionnaire method. The research was conducted with the help of a questionnaire measuring the perceptions and feedback of ISD and trainers on training and improving ISD productivity.

Two set of questionnaires has been prepared, one for the in-shop demonstrator (ISD) who are working in consumer durable companies and other set of questionnaires has been prepared for the trainers also working with consumer durable companies. The questionnaire was framed for examining the ISD and ISD trainer's opinion for the consumer durable companies and services provided to them related to training by their companies. In this questionnaire both open and close ended questions were included. Many questions were close ended while only two questions were open ended. Purpose of open ended questions was to seek the suggestions and opinions from the respondents. Questionnaires were of nominal, ordinal and interval scale, five-point Likert scales and open ended to seek suggestions.

Structure of Model

Structure model of cost-benefit analysis of training programs of ISD is majorly divided into four parts. The basic structures of model are as follows:

1. Responsibilities of stake holders including channel partners
2. Responsibility of company in framing of various policies
3. Roles of service and logistics department
4. Problems faced by ISD, suggestions for improvement and outcomes & benefits to ISD and company that arise if the above suggestions are properly implemented.

These four parts of the model/framework shows the journey of implementation of ISD training programs to improve their sales productivity and how fruitful it will be to consumer sector where products are sold by ISD from retail stores.

1. Responsibilities of Stake Holders including Channel Partners

Channel partners are critical link between company and end customers. The first impression on coming to store decides which brand and which product to buy. ISD at the stores help these partners to achieve their sales target. ISD are interface for both customers and partners. They communicate with company for any requirements and supports from the company. Partners should provide decent environment to the ISD at stores so that they are motivated to continue in the store and sell more.

Since, well-trained ISD are important for both company and partners so there should be efforts by partners that ISD should attend all trainings conducted by the company. With the evolution of technology and new products it has become more pertinent that ISD

attend all training sessions.

During the ISD feedback mechanism they should provide true and transparent feedback about the ISD so that corrective action can be taken.

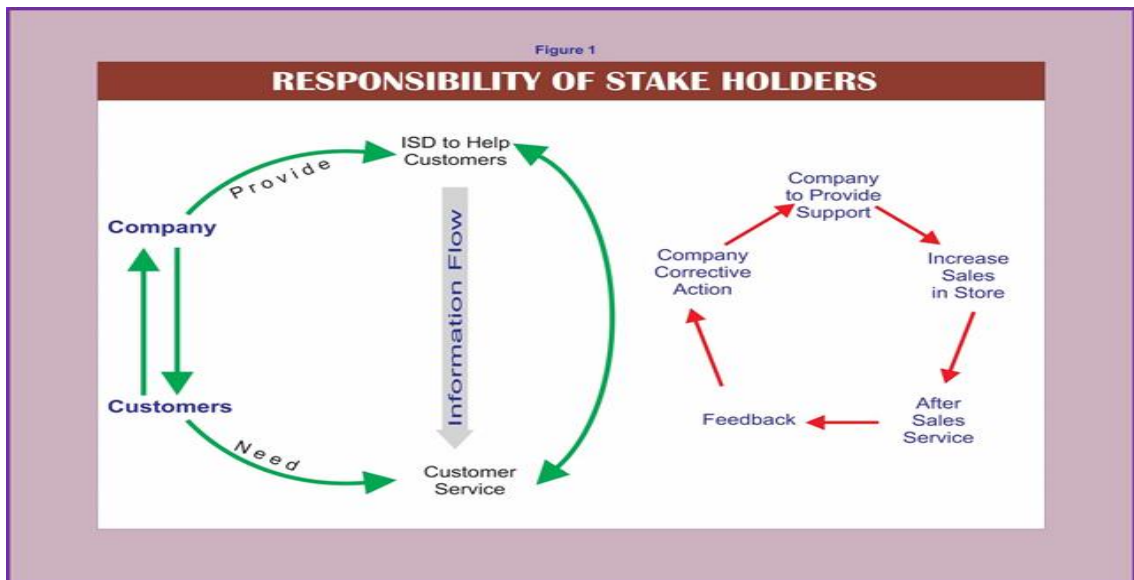
Channel partners should support with right products and correct quantity as per ISD requirement who decides based on customers queries.

Channel partners should be aware of all promotional schemes so that they can make best use of them while selling the products. They should make regular payment to the company so that the flow of the products is smooth.

Commitment to the customers on services, products and schemes should be correctly communicated so that there is no gap in what companies communicate and what is finally told to customers.

They should maintain list of all customers who visit their stores and make follow up calls to close the sales. Post sales service should also be provided by partners so that customers are loyal to them for future sales.

This can be demonstrated by Figure 1 below.



Source: Researcher's Compilation

2. Responsibility of Company in Framing of Various Policies

Company should provide all statutory benefits to ISD. They should be provided on

boarding and induction training as per the company norm. They should provide ambience which is conducive for ISD to perform. Treat them fairly, equitably and courteously. Target set by company should be aggressive and achievable. High performing ISD should be rewarded as this motivates them most.

They are told about the expectation of the company and ways to deliver revenue through following company policies. Roles and responsibilities are told during such induction. They are made to be familiar about the products of the company which they have to sell at stores.

ISD should be provided with joining kit like ISD policies, role and responsibilities, reporting manager, escalation matrix. They should be told about working hours and days of working. Weekends and holidays are informed during such training. They will be told about leave approval process, uniform, reporting process and how to carry themselves.

ISD are asked to attend training as per training schedule. During training sales team should provide road map and expectations from these ISD and how to achieve their revenue target and which products they should focus on. Company should be transparent in terms of award and rewards which should be simple and easy to understand by ISD.

Company should follow policies which ensure job security among ISD. There should be transparent growth path for ISD and acceptable to them.

Products should be sold across channel at same price and there should not be large variance among different stores. This will garner respect and loyalty from customers.

ISD incentives, awards and rewards-

Company should devise simple and transparent incentive model for ISD. Apart from above motivational steps taken for ISD there should be engagement with ISD on all levels so that they are not marginalized from company and information flow to them on regular basis. In order to improve quality of ISD there should be feedback mechanism where channel partners and sales team provide transparent and true feedback about ISD. There should be ZERO tolerance for fraud. Any such activities should immediately lead to termination of the employee.

ISD supervisors should ensure their training and mentoring to give better understanding of sales demo skills; they should identify capabilities of ISD and place them at the right store which is best suited for his talent and knowledge.

Figure 2 given below refers to responsibilities of company-policies, training and responsibility for motivations. Policies related to marketing and sales, training, ISD,

revenue generation. Company should make efforts to motivate sales force through awards and recognitions.



Source: Researcher's Compilation

3. Roles of Service and Logistics Departments

Service is backbone of any industry and especially for technology products like LED panel television. They are new entrant in this industry and not everyone who buys these products is aware of the product and how to use them. Prompt demo service and post sales service should be for all customers and in all cities. This gives tremendous confidence among customers and word of mouth help more sales for the company. Company should have robust service network and policy which become selling points for ISD. Company should provide service network details to all stores which could be shared with customers when selling the products. Customer service number should be well displayed at the store with some testimonials from customers on good service received by them.

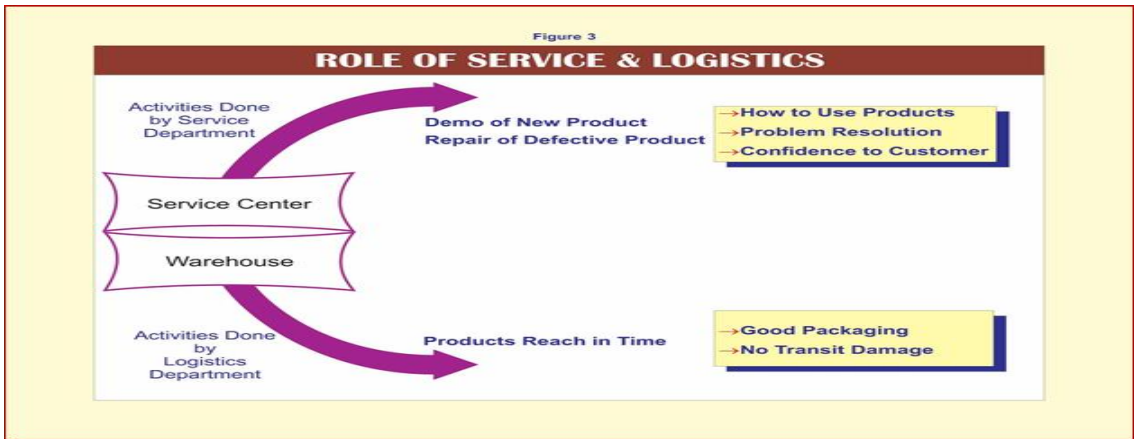
There should be transparent and easy policy for dead on arrival (DOA) products. All policies on service with timeline for problem resolution should be well displayed in the store. This gives tremendous confidence among customers.

Engineers who visit the customer's home should be well trained on what and how to speak to customers. Basic soft skills should be imparted to these engineers.

Logistic also plays important role to boost sales by ensuring that product reaches channel partners in time. Any delay in delivery of products will lead to loss of sales. Committed timeline should be met which will give confidence to partners and ISD and sales can be planned accordingly. Efforts should be maintained that there is good packaging of the products so that there is no transit damage of the products. Any transit damage should be

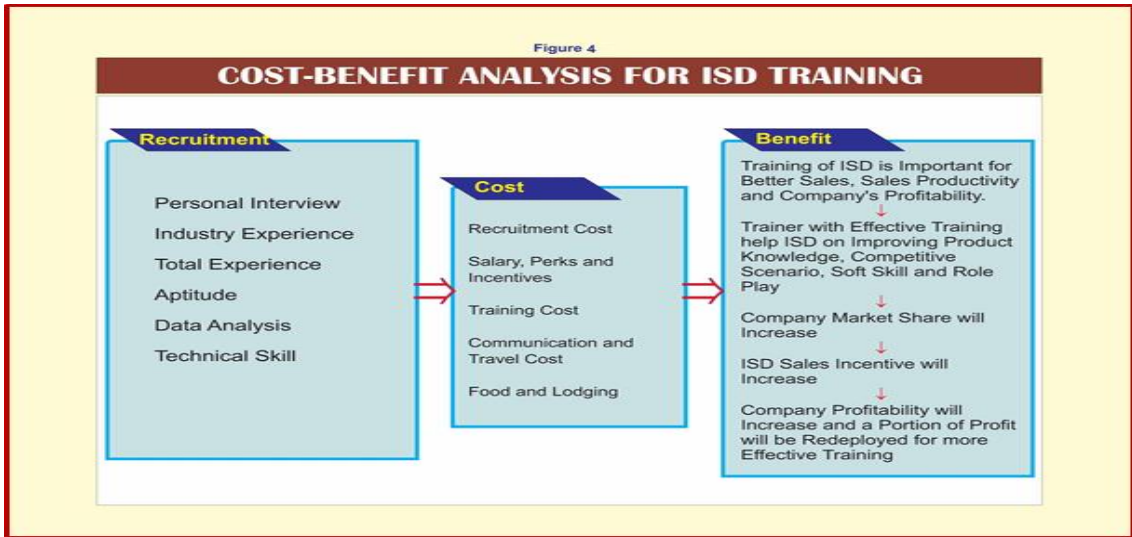
effectively resolved to the satisfaction of partners and within company’s policies. Transit to remote areas should be well planned so that there is no loss to sales to competition. Warehouse staff should be well trained on basic soft skills for win-win situation for both partners and company.

Figure 3 given below refers to model related to role of service and logistics. What are the activities assigned to service department and what are the responsibilities of logistics department which will help the company in long run. Service logistics staffs should be well trained in order to give best service.



Source: Researcher’s Compilation

Figure 4 given below summarizes the cost-benefit analysis for ISD training. It refers to their recruitment process, cost related to recruitment, training of ISD and their compensations. Training leads to benefits to ISD and company as ISD with the help of effective training help in increasing sales and leads to higher profitability for the company. Company market share will increase and ISD incentive will increase with better sales from stores. With higher company’s profitability, company will redeploy portion of profits for more effective trainings.



Source: Researcher's Compilation

4. Problems faced by ISD

Problems faced by ISD can be broadly divided into three parts –

- I. Related to In-shop demonstrator (ISD)
- II. Training and Products
- III. Company

To overcome the problems, some concrete suggestions have been given in this suggested framework and benefits have been highlighted in the last column.

1. In-shop demonstrator (ISD)		
Problems	Suggestions	Benefits
ISD are at times not secured about the job. These arise from many factors and some are not in their control like selling products at fixed rate decided by company and ISD are asked to complete many non-retail sales activities on behalf of store	Company should take appropriate measure to instill confidence among ISD. They should be asked to follow the HR policies and no external factors should guide their role and service to the company. ISD role should be well defined and	This will result in job security among ISD making them confident and secured ISD will always give better sales and revenue to the company. When everyone take responsibility then only it is possible to sell products at fixed price. Company will have to spend less on marketing which will

<p>owners and supervisors</p>	<p>shared with partners and sales team. There should be structured and one direction reporting system. Dual reporting at this level will defocus ISD from sales role. Products to be sold at pre decided rates and no deviation. ISD should sell products at fixed rate as decided by company.</p>	<p>ultimately improve company's bottom line. ISD should focus on daily sales target and make all efforts to increase sales, up-sales and cross-sales</p>
<p>ISD expect decent salary and monetary benefits as per norm. Incentives are sometime difficult to calculate and understand. There are cap on incentive earnings which demotivates ISD to perform.</p>	<p>At the time of recruitment ISD must be clearly told about their salary and incentive structures. ISD should be able to calculate their incentives on their own. This will help them to track their incentive on daily basis and plan to up-sell to achieve their monthly incentives.</p>	<p>When ISD get decent salary and incentives when compared to competition then attrition will be less which will ensure savings for company on training of new ISD if some leave for salary reasons to other company</p>
<p>They struggle to take leave for which they are eligible as they don't know whom to inform for leave. Store partners, sales team or their reporting manager i.e. team leader.</p>	<p>Reporting of ISD should be well defined and accepted by all stakeholders. ISD should not keep running from pillar to post to avail their leave.</p>	<p>Once there is structured single reporting system where ISD reports to only one person then it becomes easy for ISD to connect with one person for all purpose.</p>
<p>They don't see many opportunities in their career growth path.</p>	<p>During ISD induction it can be explained to them the career path. It is suggested that successful ISD should take couple of sessions during induction.</p>	<p>ISD should be aware that there is option for their growth and it can be shown where many ISD have become team leaders, sales people, and trainers. This will motivate ISD to perform better and produce better sales and revenue for the company</p>

Distance of ISD store from home is more and they spend their money on transportation for which they are not reimbursed.	Store location of ISD should not be very far from home. It should be within permissible limit of 10 kilometers.	This will save time, energy and money for ISD which will help them monetarily and socially. They will spend less time in communicating for their work
ISD don't get potential counter. Some stores are not at profitable location so there are no sales from those stores and ISD lose their monthly incentives	If ISD have to be placed at any unproductive stores for any business exigency, then ISD should be compensated for their loss of incentives	Even if it is important to place ISD at some stores which are not potentially doing well due to some business exigency then efforts should be made to compensate ISD so that they don't lose on monetary benefits for no fault. If this is not done then there could be case when company can lose good ISD to competition and it will be loss to company who trained him.

2. Training & Products

Problems	Suggestions	Benefits
Trainings are mainly theoretical in nature and there are no products available for touch and feel during training for ISD.	Training should be provided with demo products at the training venue. Top two competition products should also be made available during training so that there is feature to feature comparison.	It has been observed that when theory, role play and LIVE products are presents at training centers then ISD focus on training process increases. This will help in convincing customer's queries and converting sales, up-sales and cross-sales.
They are not provided with complete range of products at the store level to sell. They are provided with products which are with company. This leads to loss of some sales to competition.	ISD should have access to the product's availability and when they will reach at stores so that they don't lose sales to competition in anticipation that product will reach them but there is inordinate delay in arrival	Once ISD are provided with complete range of products then it becomes easy for ISD to convince and sell. If customer is not convinced with one product then they have other range to convince customers.
During training sessions	During ISD training even	When installation engineer visit

installation engineers are not present. This leads to gap between what ISD tell customers during selling process and what engineers tell when they go for product installation at customer's home	installation engineers should be present so that same communication goes to customer about the various features of the products sold by ISD.	home for product installation and demo, they would reiterate the product features to customers. Same communication to customers will give confidence to customers and there would be more sales due to word-of-mouth publicity.
3. Company		
Problems	Suggestions	Benefits
Products are not sold at same price in different channel stores.	All company's product should be sold at same price across channel.	When products are sold at same price in all channels then it gives assurance among customers. This will avoid bargaining by customers and brand loyalty will be built.
Company are not sensitive to ISD needs in terms of their requirements, uniform, monetary benefits, regular meeting with ISD, ISD get-together during festivals, escalation matrix are not shared with ISD, meeting with channel partners who are critical for growth of sales	Company should provide proper uniform, competitive salary and attractive incentives to ISD. There should be regular meeting between ISD, partners, and senior company's representative so that issues can be discussed and resolved then and there. There should be ISD get-together prior to any product launches and Diwali. ISD should be shared with post sales service escalation matrix.	Once companies take economic and social care of ISD then they will give their maximum in store and focus on maximizing their sales and earn more profit. ISD attrition will reduce and ISD will stay with company for longer time.
ISD are asked to do many paper and mobile update regarding products, POSM deployment, asset management, sales	ISD role is to sell and they should be asked to focus only on sales and sales related activities.	ISD should focus only on sales and sales related activities in the store. This will save time for ISD to concentrate on sales.

reporting, follow up for service, getting sales order from channel partners on direction from sales team etc.		
There is no structured reporting of ISD.0000	ISD reporting should be structured and there has to be only one window for ISD. ISD supervisor can coordinate with other function to enable ISD to focus only on sales.	Single reporting of ISD to team leaders will always lead to less confusion and allow more time for ISD to sell. Sales team or partners will communicate with ISD reporting manager in order to get anything done through ISD. Everyone will respect hierarchy.
Self-esteem and empowerment of ISD is missing	ISD should be treated like any other employees of the company and any discrimination should be avoided at all cost.	High self-esteem and empowerment among ISD will ensure longer stay of ISD in the company. This will reduce cost in training new ISD. Trained and confident ISD will contribute more to sales than those ISD who are low on self-esteem. Loyalty towards company will increase and good ISD from other companies would like to join because they will feel that ISD are treated well in company. This will finally lead to an increase in revenue for the company.

Conclusion

In shop demonstrators for consumer durable products are very critical for the success of sales force team. Companies must place greater emphasis on their training. In this Paper, responsibilities of channel partners, company and service & logistics department have been delineated. Various problems faced by in shop demonstrators have also been highlighted. Useful suggestions for tackling these problems are offered which are both practical and doable. Another highlight of the paper is that the benefits that will accrue to

ISD as well as companies have also been presented in a systematic manner. This normative framework can be replicated by any consumer durable company to improve training effectiveness of their employees and also to increase their sales.

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