

# Study on Retail Salesforce Competency in India

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## Abstract

The retail industry has seen a transformation over the years. With the increasing trend moving towards online retail, the role of salesforce has become more critical in physical retail stores. Retail organizations train their salesforce on product specific skills but have failed to map the competencies based on customer expectations. The paper investigates the prominent competencies of salesforce with respect to the products sold. Customers visiting three retail organizations in different formats in Pune were surveyed. The data was collected based on responses gathered from a questionnaire designed from review of literature. The results based on statistical tests indicate that customer service is the most important competency and the responses are not impacted by gender.

**Keywords:** retail, competency, customer service, employees, salesforce.

## I. Purpose of Research

The competencies of salesforce play a very important role to deliver superior level of service to consumers. According to a researcher (Grönroos, 2000) service is delivered by human employees and hence the competency of salesforce would be a key driving factor in delivering service which is more important than manufacturing products. The perception of consumers is largely driven by store image and customer service contributes to building the image of a store (Hartman and Spiro, 2005). The training and development of salesforce in order to enhance the competency skills will play an important role to ensure customer satisfaction (Attia, 2005). The major issue is to understand the effect of salesforce on customer satisfaction which can be done by assessing the salesforce competency (Grewal and Sharma, 1991).

Several research papers in the area of salesforce competency are related employee training and development as well as assessment (Zhang et al

2010). Hence most of the research is in the HR domain where assessment is done by organizations. The real gap that can be seen is that competency assessment should be done by consumers and not by organizations. The current study is an attempt to judge competency of salesforce by existing consumers in terms of meeting their aspirations. The current study will help retail organization to provide more effective training to salesforce based on first hand consumer feedback.

## II. Literature Review

There is a significant change in shopping orientation from product shopping to providing an entire shopping experience (Ghosh et al 2010). In the entire experience, consumer service plays a very important role (Sharma, 2014). Customer service influences customer perceptions (Weitzel et al 1989). Store shopping faces tremendous competition from online shopping (Gehrt et al 2012). This makes it all the more important to ensure good customer service. Good customer

service will lead to store patronage and customer loyalty (Majumdar, 2005). Hence, shopping in India has undergone a complete transition (Chatterjee, 2005). The enabler for transition is the retail salesforce (Kotni et al 2018).

Majority of the literature of salesforce is focused on recruitment, motivation, training and assessment. The researchers (Kotni and Karumuri, 2018) have researched upon application of Herzberg theory to motivate salesforce. Woodard et al (1994) have talked about the surrounding environment to motivate retail salesforce. Pettijohn and Pettijohn (1994) have talked about the different types of training to be provided to salesmen. Hampton (1986) have talked about the job related outcomes. This is important to judge performance. Murphy and Anderson (2020) researched upon salesmen attitude, efforts and performance and linked it to transformational leadership. The major gap seen here is to link salesmen performance to customer aspirations. This can be possible is salesmen competency is judged by consumers. Stevens (1989) has mentioned about mapping salesmen skills to consumer aspirations.

Salesmen competency relates to different aspects of competency of salesmen. Oldest research (Webster, 1968) talked about interpersonal communication of salesmen. Thomas and Inkson (2005) talked about customer convincing skills. Johlke (2006) talked about the presentation skills. More recent studies talk of customer query handling (Singh et al 2018). The role of product knowledge is equally important for effective selling (Mariadoss et al 2014). Another important set of skills is the negotiating skills (Faraji et al 2018). Most recent literature has emphasized the importance of customer service skills which includes how well you make the customer feel privileged (Bross et al 2019).

The major gap that has been found in the review of literature is that the competency of salesforce

has either been studied in isolation or from the perspective of human resource management which is more focused on employee assessment internally. The employee assessment must be done on the basis of customer feedback. In recent times, many organizations assess employee performance based on consumer ratings (Kim and Karlson, 2016). The current study is also focused on judging salesforce competency through customer feedback.

### III. Methodology of Research

Initially, the review of literature was done by referring research articles from various reputed journals. The review of literature helped in identifying the important research gaps as well as the variables for designing the questionnaire. Articles from 1968 to 2020 were reviewed to get the flavor of old and current research. The questionnaire had questions related to gender, age group, type of store visited and salesman competency. The variables related to competency were borrowed from the review of literature. 112 questionnaires were filled out of which 100 were found to be relevant. Pune has many shopping stores suited to selling different kinds of products and so it was chosen as the city of choice for the study. Non probability based convenience method of sampling was preferred since the collection of responses depended on availability of respondents. The data was collected from the following outlets in the city (one hypermarket, one speciality store and one departmental store). The outlets surveyed included Raheja Group's "Shoppers Stop", Future Group's "Central" and Aditya Birla Group's retail venture "more". As permission was given to interview the customers of the three stores, hence these stores were selected for survey.

The customer responses were measured on a Likert scale. It was a 5 – point scale (1 = least satisfied and 5 = most satisfies). Statistical tools were used to draw inferences from the responses.

Both the tests are non-parametric tests since the data was not normal. The statistical tools used were Friedman test initially and then Mann Whitney U test. Friedman test helped to identify most preferred competencies while Mann Whitney U test helped to find the difference in opinion between genders.

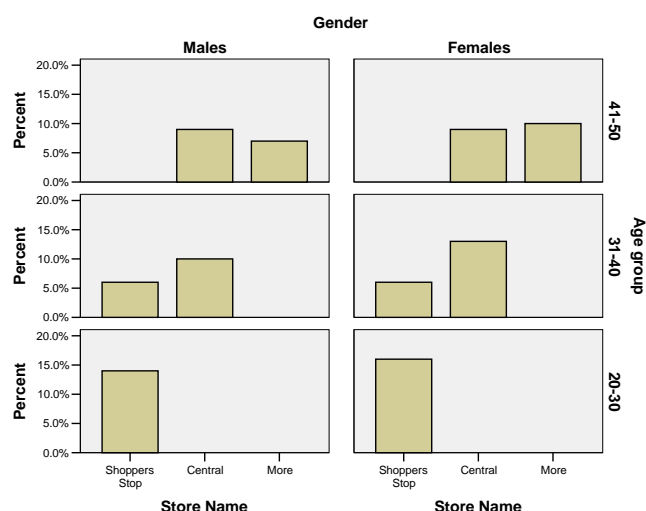
#### IV. Null Hypothesis

H00: There is no significant difference in customer response about salesforce based on gender

#### V. Data Analysis and Interpretation

Discussion based on results from Customer Survey is below:

**Table 1: Demographics of respondents**



#### Inference

1. The gender difference in respondents was 50 % for males 50 % for females
2. The age group selected was 20 yrs to 30 yrs, 31 yrs to 40 yrs and 41 yrs to 50 years.

3. The stores selected were “Shoppers Stop, Central and More since the three stores represent three different retail formats.

**Table 2 A. Inference from Friedman test**

| Ranks   |                      |           |
|---------|----------------------|-----------|
| Gender  |                      | Mean Rank |
| Males   | Salesforce knowledge | 3.01      |
|         | Communication skills | 3.48      |
|         | Presentation skills  | 3.63      |
|         | Customer service     | 4.08      |
|         | Query handling       | 3.83      |
| Females | Salesforce knowledge | 3.32      |
|         | Communication skills | 3.91      |
|         | Presentation skills  | 4.01      |
|         | Customer service     | 4.64      |
|         | Query handling       | 3.93      |

**Table 2 B: Chi-square value (Friedman test)**

|         |            |        |
|---------|------------|--------|
| Males   | N          | 47     |
|         | Chi-Square | 33.939 |
|         | df         | 4      |
|         | Sig.       | .000   |
| Females | N          | 53     |
|         | Chi-Square | 16.136 |
|         | df         | 4      |
|         | Sig.       | .003   |

## Inference

From Friedman test, it is clear that top three customer aspirations amongst both males and females are customer service, presentation skills and query handling. This clearly highlights that

the role of a salesman is much beyond selling of products. It also highlights no significant difference in behavior based on gender while judging the competencies of salesforce.  $P < 0.05$  indicates the appropriateness of Friedman test.

**Table 3: Significant difference in response based on Gender (Mann Whitney U test)**

|                 | Salesforce knowledge | Communication skills | Presentation skills | Query handling | Customer service |
|-----------------|----------------------|----------------------|---------------------|----------------|------------------|
| Mann-Whitney U  | 1151                 | 1122                 | 1049                | 997            | 1234             |
| Wilcoxon W      | 2232                 | 2203                 | 2534                | 2482           | 2315             |
| Z               | -.679                | -.745                | -1.404              | -1.849         | -.060            |
| Sig. (2-tailed) | .497                 | .456                 | .160                | .065           | .952             |

## Inference

It can be inferred from Mann Whitney U test that competencies of salesforce are perceived similar by males and females at  $p < 0.05$ . Hence we fail to reject the null hypothesis. This re-affirms the Friedman test that males and females have similar expectations from the salesforce.

customer experience in order to sustain and this becomes a differentiating factor for the retailers.

Retail sales competencies can be seen from two perspectives. One is the HR perspective that should take customer feedback into account and provide training in delivering the best customer service. The other is Marketing perspective where superior customer service will lead to enhanced customer relationships and thereby enhanced brand image.

Many retail organizations are using a combination of technology and physical interaction to deliver the best customer service. Hence the salesforce should be trained for delivery on both technology front as well as physical interaction.

## VI. Scope of the study

The scope of the study has been very limited. Hence the results of the study cannot be generalized. The study was done across three outlets of Pune city only and the considered sample size was 100. A change in sample size or study of outlets across different cities could change the overall results.

## VII. Conclusion and Discussion

The results clearly indicate that customer service ranks the highest. Higher level of customer service will lead to store patronage and customer loyalty. In recent years, the transformation of retail has taken place from brick and mortar stores to online retailing. Hence it has become all the more important for physical stores to give superior

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