

DEPARTMENT OF BUSINESS MANAGEMENT

Conducted by Paul C. Olsen.*

COMMENTS, QUESTIONS AND SUGGESTIONS ARE INVITED AND WELCOME.

Readers are invited to submit comments, criticisms and suggestions regarding the material which appears in this department. The Editor also will undertake to answer questions regarding general problems of business management. Letters of general interest will be published, but the writer's name will not be revealed without his permission.

SALESMANSHIP PROBLEMS IN DRUG STORES.

BY PAUL C. OLSEN.

The familiar "companion" or "suggested" sale is the form of salesmanship most frequently recommended for use in drug stores. The theory is that if the hundred people who come in a drug store are each asked to buy an additional 25-cent item the store's receipts will be swelled by the amount of these additional sales which were made (supposedly) at no extra selling cost, with the result that practically all the gross profit on them is net profit. If fifty of the hundred people so asked actually do buy the additional 25-cent item, the store's sales for the day are thus increased by \$12.50.

Some of the peculiar conditions incident to the retail sale of merchandise in drug stores make the "companion" or "suggested" sale an extremely hazardous and costly way to attempt to increase sales and profits.

One of these special conditions is the fact that regular customers visit a drug store twice a week or oftener. It is a physical impossibility for the proprietor and his sales people to remember, therefore, who have and who have not had their attention called to the additional 25-cent item which is being "pushed," especially if there are several salespeople in the store. Thus regular customers upon whom the store must depend for its continued success are put in the position often of saying "No" to the same request twice or more in one week. Naturally they resent these repeated importunities and are quite likely to transfer all their succeeding purchases to stores in which they will not be thus annoyed.

The second special condition which operates to reduce the effectiveness of "companion" or "suggested" sales in drug stores is the fact that practically all the people who come into drug stores have a definite purchase in mind before they come inside. They are not shoppers. All too often they have or feel that they have neither the time nor the inclination to listen to a sales talk. Thus the frame of mind of large numbers of drug stores' customers is one which certainly is not most conducive to the success of extra selling effort.

One of the elements of success in personal salesmanship is a knowledge of the individual peculiarities and characteristics of customers as well as the frame of mind in which they appear to be when a special personal selling effort is undertaken. The retail drug store salesman who serves 100 and even 200 customers in

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a day is in a far different position in this respect than is a traveling salesman who makes, perhaps, 6 to 8 calls in a day. The drug store salesman counts himself fortunate if, as he should, he knows the names of the customers to whom he talks.

A fourth factor which operates against the successful use of the "companion" or "suggested" sale in retail drug stores is the small amount of the average purchase made in drug stores. The net profit on even a dollar sale is hardly ever more than 10 cents. The work of promoting additional sales in drug stores can be done more effectively, safely and profitably by window and store displays, and, in some instances, by advertising.

These statements about the weaknesses and dangers of trying to increase drug store business by companion sales should not lead anyone to conclude, however, that there is no place in the drug store for the practice of salesmanship. It does and should occupy a most important place. In any contacts between drug store salespeople and customers, the requisite personal characteristics for greatest success are so plain that a mere enumeration of them is sufficient. They are:

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| 1. Truthfulness | 8. Enthusiasm |
| 2. Sincerity | 9. Earnestness |
| 3. Courtesy | 10. Imagination |
| 4. Tact | 11. Knowledge |
| 5. Self-control | <i>a</i> of customers |
| 6. Alertness | <i>b</i> of merchandise |
| 7. Memory | |

The group of customers upon whom personal selling effort can be used successfully and profitably are those who enter the store uncertain as to the particular thing they are going to buy. A person decides he wants a hair brush and goes to a drug store to get one. But there are hair brushes and hair brushes. Some sell for 75 cents and others for \$75. Certainly this is a situation calling for all the resourcefulness the drug store salesman possesses plus the eleven characteristics listed above if he is to meet the desire of the customer with greatest profit to the customer, to the store and to himself.

Hair brushes are only one of hundreds of items which are bought in this way in drug stores. Cameras, perfumes, stationery, sick room supplies and even candy have to be sold, usually, by personal effort of this kind.

Regarding such merchandise, the things a salesman should know in order to sell them most successfully are:

1. The uses of the article—the human instincts and characteristics it is intended to satisfy.
2. Style features, for it is natural for people always to be interested in something new and something different.
3. Where the article was made. "Paris" and "Bond Street" have a magic significance to prospective purchasers.
4. How the article is made. Seamless hot water bottles have advantages not possessed by other types.
5. The materials used in making the article. Stainless steel helps to sell many drug store items, tweezers, manicure articles, atomizers, etc.

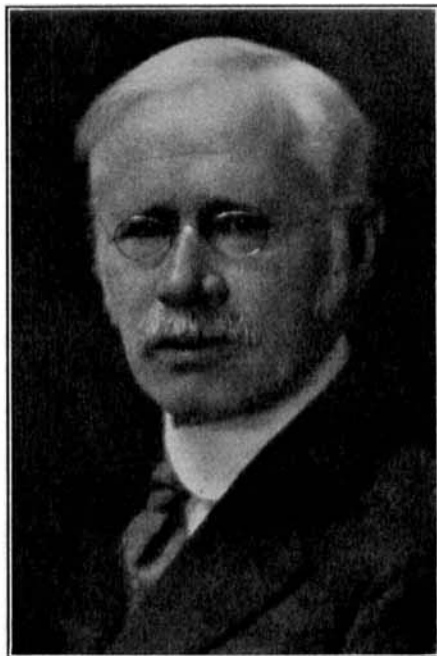
The source of much helpful information along the lines above is the manufacturer or wholesale distributor and the time to obtain this information is at the time the goods are bought. If a druggist has bought salable merchandise of the kind in which choice and selection on the part of the customer is involved, the druggist's answer to the following question will provide him, usually, with the facts which will make the most convincing presentation and the most profitable sale for all concerned. The question is, "Why did I stock this merchandise?"

The sale of merchandise of this kind presents in most drug stores practical difficulties, because usually the sales in drug stores are of merchandise on which the customer has decided definitely before entering the store. In a drug store employing only one or two salespeople, the necessity of spending 10 or 15 minutes demonstrating a camera may interfere seriously with the handling of other sales which are completed with less deliberation. This is an advantage which large drug stores employing numerous salespeople have, and explains why they have been most successful in the sale of merchandise requiring extensive demonstration and explanation.



JOHN URI LLOYD.

John Uri Lloyd was not only the oldest living Ex-President, A. Ph. A. (1887-1888), in attendance at the Baltimore meeting, but also oldest member, 80 years. He contributed a paper on "Physics in Pharmacy," Part III, being a contribution of 50 years ago to the A. Ph. A., now verified in laboratory, by Wolfgang Ostwald and Walter Haller.



EDWARD KREMERS.

Edward Kremers was formally awarded the Remington Honor Medal at the A. Ph. A. meeting in Baltimore by New York Branch. The recipient has been head of the Course in Pharmacy at the University of Wisconsin for many years; he is president of Wisconsin Pharmaceutical Association, celebrating its 50th anniversary in July of this year.