Key responsibility of sales team: finding, acquiring and maintaining customers.

Sales force automation

Current Van Sales Distribution System: PFL produces 15 different varieties of confectionary products and distributes them to the retail outlets through its own fleet of 30 vans. Every morning the products are dispatched from the warehouse in PFL's vans. Each van follows a pre-defined route for delivery of products to the retail outlets. Sales invoices are prepared manually by the salesmen. The original invoice is issued to the customer and a carbon copy is submitted to the accounts department at the end of each trip.

Individual accounts are maintained in respect of credit customers only. Each salesman deposits the cash amount on the basis of inventory delivered to him in the morning after adjusting the credit sales and the stock returned. The aggregate record of inventory received and issued is maintained on Excel Sheets by the Warehouse Superintendent.

Weaknesses in existing VSDS:

➢ Lack of segregation of duties as the Warehouse Superintendent is maintaining the stock record. Data maintained by Superintendent in Excel sheets is vulnerable to changes.
➢ Possibilities of fraud such as intentional over-charging by the salesman, resulting in customer dissatisfaction when the error is detected.
➢ Possibilities of errors such as inaccurate pricing and arithmetical inaccuracies.
➢ The opportunity to track good cash customers is being lost by maintaining record of credit customers only.
➢ Itemized detail of products issued and returned is not maintained.

The **tools and technologies** available **to automate** the VSDS and their working is described below:

➢ Handheld devices such as PDAs (Personal Digital Assistants) or smart phones running online sales automation application may be used as front end (input device) to capture transactions electronically at different stages of transaction, i.e. loading of inventory, making sales / collection, collecting expired products etc.
➢ These devices would be supported with printers for issuing instant invoices / receipts / credit memos.
➢ As soon as the transaction would be entered by the salesperson on PDA/smart phone, the backend software would instantly update information in the main database.

Benefits of Sales Force automation System:

➢ Integration of Sales, Warehousing and Accounting will reduce errors (both intentional and unintentional) in recording of sales and warehousing transactions.
➢ Reduce paperwork.
➢ Time saving from company as well as the customer point of view.
➢ Instant capturing of transaction from PDA/smart phone into Back Office Accounting system.
➢ Management would have access to complete data relating to individual customers, categories of customers, region wise sales etc.
➢ Management would have better control over activities of Salesman and over expired/damaged products.
➢ Reduce administration cost i.e., cost of reconciliation of sales, inventories etc.
➢ Effective inventory planning.
➢ Increased motivation level of sales team as SFA facilitates flexible work environment, where information can be accessed by the salesperson, when and where they need it, whether working from home, on the road or in the corporate office.
➢ Online product catalog can be updated the moment new product or service is available ensuring continuous updating of salesperson knowledge.
➢ SFA also results in improved customer relationship management (CRM).
➢ Increased productivity of sales team.
➢ The system can also be used for sales forecasting and identification of trends and seasonal variations.