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Personal Sales Focused on Improving the Psychological Wellbeing of Customers in the Context of Relationship Marketing

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Abstract

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The article focuses on theoretical principles of the organization of personal sales and marketing relationship. The definition of relationship marketing based on the identified priority position of relationship marketing is given. A new group of stakeholders-“needy” with which the company must build and develop relationships to solve social problems is indicated. The principles of the concept of relationship marketing are clarified and developed. Considering the change of marketing paradigms and relevance of relationship marketing a new element of the marketing mix –“psychological approach” is provided. Application of psychological approach will allow employees of any company to understand and meet the real needs of customers’ better. The importance of the application of psychological theories in marketing proved. The role of personal sales significantly increased in the medium of relationship marketing is concluded. The notion of personal sales emphasizing the importance of knowing the psychology of customers, the ability to demonstrate significant competence and knowledge of modern technologies of sales by private agents is explained. The purpose of personal sales in the modern society is designed, which is predominantly expressed in the construction, maintenance and development of privileged relations with customers. A new stage of personal sales – “gaining knowledge” is suggested. The principles of personal sales, corresponding to the components of psychological wellbeing are discussed.

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Keywords: Personal sales, principles of personal sales, relationship marketing, relationship marketing principles, marketing complex, psychological approach.

Introduction

Current market conditions may be summarized as follows; the highest competition in the markets for goods and services, decrease in the effectiveness of marketing impersonal communications, change in needs and motives of customers, increased costs for communication with clients, the increasing importance of loyal customers, the growth of individual demand. In the current context of the market



companies need to solve an important problem. Its decision is connected with the management of personal sales oriented on construction, maintenance and development of privileged relations with clients. This is due to the fact that traditional marketing is behind the age and relationship marketing becomes a really popular concept in the world. Application of the concept of relationship marketing in practice requires changes not only in the philosophy of the market activities of companies, but also in tools to achieve marketing strategies, one of which the personal sale is. Theoretical positions of relationship marketing and personal sales carried out in today's environment are in the process of formation and development. We believe that the efforts of employees and salespeople especially should be aimed at improving the psychological wellbeing of customers for the growth of the main indicators characterizing the effectiveness of personal selling: satisfaction, trust, involvement, comprehensive loyalty and income. In the process of personal sales the two sides - the company and customers should receive valuable benefits. The aim of the article is to develop theoretical propositions of relationship marketing and personal sales. To achieve the objective it is required to solve the following problem. First, to give a definition of relationship marketing. Secondly, to denote a new group of stakeholders with which the company must build relationships for the opportunity to solve the social problems of modern society. Third, to clarify and develop the principles of the concept of relationship marketing. Fourth, under given relevance of the marketing relationship to offer a new element of the marketing mix. Fifth, to clarify the concept of personal sales. Sixth, to designate the purpose of personal sales. Seventh, to offer a new phase of personal sales. Eventually, to suggest the principles of personal sales corresponding to the components of psychological wellbeing.

2. Relationship marketing - the modern paradigm of marketing

2.1 The Essence of new principles of the concept of relationship marketing

Currently, in the modern context of social development, there are two of the most demanded marketing concepts: the concept of traditional marketing and the concept of relationship marketing. In some areas of business, especially in transition economies, traditional marketing still endures a big role. Relationship marketing plays a considerable role in such business areas as industrial markets, services and most of all consumer markets. We tend to call the concept of relationship marketing a new paradigm of marketing, as the status of the concept of "paradigm" emphasizes the priority of its importance and significance.

The concept of relationship marketing is in its infancy and development. This requires clearly defined theoretical and methodological foundations of the concept. An analysis of the definitions of relationship marketing, presented in the book of J. Egan (2004) has allowed us to identify three substantive items that should contain a modern relationship marketing: the priority of the broad interpretations of relationship marketing, not tight; vision of relationship marketing as a paradigm of marketing, not as a concept; focus on building relationships not only with customers, but also with other groups of people. Overview of opinions about the issue relating to the definition of groups with which the company must build relationships, successfully presented in the literature by J. Egan (2004). We share the view that the company should build relationships with customers, employees, suppliers and external organizations. However, we believe that the social aspect of the modern

understanding of the concept of relationship marketing is not sufficiently developed. On this basis, we propose to denote the fifth group of stakeholders and call it "needy." This group should include individuals and entities that need assistance of the company, which has a high profit. The main purpose of interaction with the "needy" is the solution of important social problems. Thus, the company-supporter of relationship marketing is to build relationships with the following groups: customers, employees, external organizations, suppliers and "needy". We share the opinion of K. Müller and A. Halinen that relationships through the producer-consumer chain undoubtedly remain the main focus on the relationship marketing and all marketing science as a whole by Müller&Halinen (2000). Considering identified three priority substantial position of relationship marketing and the importance of the social dimension in the conception, we offer the following definition of relationship marketing. Relationship marketing is the modern paradigm of marketing based on building, maintaining and developing high-level relationships with customers, especially the key ones, as well as employees, external organizations, suppliers and "needy", by addressing a broad range of real needs and demands of society. It is desirable that employees seek to meet needs of the representatives of the groups that are at high levels. The more sophisticated customer needs are met, the higher their level of psychological well-being is.

It is known that personal sale is always a series of consecutive actions. The steps presented by various authors are similar to each other. However, this area requires further development. It should be emphasized that the environment affects relationship marketing entity through personal sales. Therefore, we propose a new phase of personal sales, which is called «gaining knowledge." The decision to introduce a new stage in a well-established set of accepted based on the importance of taking into account all the refined and offered by us principles of the concept of relationship marketing. Due to gaining of knowledge, the seller is able to improve their skills and become more competent. The company should provide training to personnel agent for the development of his professional qualities in the medium of relationship marketing. Table 1.shows the present stages of personal sales and the corresponding principles of relationship marketing. The presented principles of the concept of relationship marketing refined and developed by ourselves.

Table 1. Stages of personal sales and corresponding principles of relationship marketing.

Stages of personal sales	The principles of relationship marketing
Gaining knowledge	The principle of training with the help of modern technology The principle of creating the conditions for self-knowledge, self-development and self-employees The principle of the use of multidisciplinary approaches in marketing
Search, evaluation and selection of potential customers	The principle of targeting to key customers The principle of orientation to the constant contact with customers The principle of supplement contact called "face to face"
Preparing to a personal contact	The principle of a preliminary search for information about the audience before communication The principle of universal interaction The principle of establishing a common strategy for working with the client
Establishing a personal contact	The principle of value of personal contact between customers and employees of the company The principle of emphasis on creating positive feelings, emotions, feelings and moods The principle of emphasis on customer service
Collection of information	The principle of knowledge and taking into account the factors of relationship The principle of importance of segmenting customers based on behavioral and psychological factors The principle of use of customer information from different sources
Presentation the commercial proposal	The principle of identifying and meeting the needs of a wide range of customers The principle of application creativity in working with partners The principle of forming a positive image of the company (employee)
Resolving differences or objections	The principle of emphasis on high quality of goods (services) The principle of quick answers to customer questions The principle of truthfulness in communication with partners
Bargaining	The principle of long-term, mutually beneficial cooperation and trust The principle of the conquest of a comprehensive loyalty partners The principle of distribution among customers unexpected bonuses
Support of bargaining	The principle of targeting at keeping customers The principle of the company's mission to clients The principle of the creation of joint value with customers
Analysis of carried out work	The principle of evaluating the effectiveness of elements integrated in marketing communications The principle of caring for society in which customers live The principle of monitoring customer feedback

In our view, the change of marketing paradigms leads to change in the traditional marketing mix. A personal sale is an effective policy tool to promote the company. We consider it ideological to propose a new element of the marketing mix.

2.2. Psychological approach - a new element of the marketing mix in the context of relationship marketing.

It is known that in 1960 N. Borden was first to propose the concept of 12 elements of the marketing program by Egan (2004). It has been improved by E. McCarthy and was called "4Ps", under which the marketing is treated as a set of management tools such as Product, Place, Price and Promotion (1978). The concept of "4Ps" was important until a certain point and has been effective in many applications. However, the dominance of the concept of relationship marketing involves the emergence of new approaches to the content of the marketing mix. After analyzing the opinions of various authors, we concluded that the modern marketing mix should include the classic "4Ps", "People" or a new element. All other known components of the marketing mix can be either of no importance or be incorporated into existing "4Ps" or "People». In our opinion the element "People" should be classified as five groups with which the company comes into contact during running its business, including the "needy."

We propose to introduce the sixth element in the marketing mix which is called the "psychological approach". Under this approach, the understanding of any issue, problem based on the knowledge of mental processes (sensation, perception, memory, thinking, and imagination), mental conditions (intensity, motivation, frustration, emotions, feelings) and mental properties (orientation, abilities and inclinations, character of people) should be interpreted. A prerequisite for inclusion this component in the marketing mix has been served as the fact that a deep understanding of the client is the only solid basis for the development of marketing strategies in the context of relationship marketing. According to many scientists, the foundation of any successful business is the main reference point—the study of consumer psychology.

Next four basic psychological concepts taken as a basis for marketing strategy by known market researchers are designated. In classical concept by Ph. Kotler (2003) the main role is played by the psychology of motivation and needs. In concept of J. Trout (2001), which is called "marketing ideas", general and social psychology, is dominated. The concept of sensory marketing, founded by M. Lindstrom (2010), is based on the use psychophysiology of analyzers of consumers and the psychology of religion. The concept of neuromarketing, proposed by J. Zaltman (2003) is based on cognitive psychology and neuropsychology. Application of psychological concepts in marketing by scientists worldwide demonstrates the fruitfulness and prospects in relation to the need to include a sixth component in the marketing mix –the "psychological approach". Thus, the relationship marketing should be based on an extended marketing mix "6Ps", which includes the following elements: Product, Place, Price, Promotion, People and Psychological approach.

3. Personal sales in the context of relationship marketing

3.1. The Essence, purpose and role of personal sales in the current market environment

Over time, the concept of marketing communications has transformed into the concept of integrated marketing communications. Initially integrated marketing communications were seen as a way to approach and build effective communications of company. Nowadays they form an independent concept. The main elements of the integrated marketing communications should be classified as

personal and non-personal communication. In turn, to personal communications personal selling and direct marketing should refer. By impersonal communications we refer advertising, sales promotion and public relations. In our view, the context of relationship marketing involves an increase of the importance of personal communications.

In the context of relationship marketing the role of personal sales significantly increased, as their distinctive feature is the availability of personal contact between the client and the employee. They are becoming key tools of integrated marketing communications to build, maintain and develop privileged relationships with customers. In our opinion, the main resource for the implementation of a successful process of "reproduction" of clients is employees who have contact with customers. This fact underlines the importance of developments in the field of personal sales, not other elements of integrated marketing communications.

Based on the analysis of the basic definitions of personal sales and accounting environment of relationship marketing, we represent the following definition of personal sales. Personal sale is a relationship that arise between clients and personal agents (company) on the basis of personal contact between the two sides without any means of communication in connection with the sale of goods (services) or other interaction, whose effectiveness depends on knowledge of the psychology of customers, the ability to demonstrate significant competence and knowledge of modern technologies of sales by private agents. The novelty of the author's formulation of this definition is that the personal agent must know the psychology of customers and be able to demonstrate significant competence and possess modern technology sales.

The aim is to build personal sales, maintenance and development of privileged relations between clients, mainly key and personal agents (company), backed by activation of the positive response of customers associated with the purchasing of goods (services). The specified purpose of the authors' personal sales corresponds to relationship marketing due to the shift from the sale of goods to the presence of privileged relations. In our opinion, personal sales should be treated as any interaction between customers and employees, based on personal contact called "face to face». Thus, the role of personal sales in comparison with other integrated marketing communications is considerably increasing. The effectiveness of personal sale in its turn depends on the competence of the individual agent. In our opinion, one of the most effective tools for managing personal sales is a competency model of personal agents. A good example is the universal competency model, consisting of twenty-four competencies represented by Kiseleva(2015).The model is universal and allows increasing the level of subjective wellbeing of clients and contributes to the main indicators characterizing the effectiveness of personal sale.

3.2. The principles of personal sales focused on psychological wellbeing of clients

The term "psychological wellbeing" has been widely recognized in aforeign psychology. In our view, C. Ryff(1989, 1995)revealed successfully and described the phenomenon of psychological wellbeing. C. Ryff successfully compiled and identified six basic components of psychological wellbeing: autonomy, environmental management, personality growth, a positive relationship with others, a purpose in life, self-acceptance. A person with a high autonomy is able to be independent in the

community. He is not afraid to oppose the opinion of the majority opinion. He can afford non-standard thinking and behavior. A person with a high autonomy evaluates himself according to their own preferences. The absence of sufficient level of autonomy leads to conformism and too dependent on others' opinion. Managing of environment implies qualities which cause the successful mastering of various activities, the ability to achieve the desired challenges to the implementation of their goals. In case of lack of this feature there is a sense of unimportance, incompetence, inability to change or improve life. Personal growth involves the desire to grow, learn and perceive the new as well as the perception of its own progress. If personal growth, for some reason, is not possible, the consequence is a sense of boredom, stagnation, lack of faith in their ability to change, learn new skills. It decreases the interest in life. Under a positive relationship with others we mean the ability to empathize; the ability to be open to dialogue; availability of skills to help establish and maintain contacts with other people. The absence of this is an evidence of the inability to establish and maintain a relationship of trust, unwillingness to compromise. An important component of psychological wellbeing is to have goals in life. The presence of purpose in life is associated with a sense of the meaningfulness of existence, a sense of value of past events, what is happening now and will happen in the future. The lack of goals in life implies a sense of meaninglessness, sadness and boredom. Self-acceptance reflects a positive self-image of themselves and their life in general, awareness and acceptance not only his positive qualities, but also its shortcomings. The opposite of self-acceptance is a sense of dissatisfaction, which is characterized by the rejection of certain qualities of his personality and his dissatisfaction with the past.

We consider it appropriate to propose the principles of personal sales that match the components of psychological wellbeing. Following these principles, personal agent will be able to positively influence the level of psychological wellbeing of clients.

Table 2. Components of psychological wellbeing and their corresponding principles of personal sales

The components of psychological well-being	The principles of personal sales
Autonomy	The principle demonstrating tolerance towards clients from the personal agent The principle of the creative approach in working with clients The principle of empowering
Environmental management	The principle of compliance with requests of customers The principle of importance of customers The principle of offers of various types of loans and forms of calculation
Personal growth	The principle of training for customers The principle of workshops for clients The principle of availability of competitions and lotteries for customers
Positive relationships with others	The principle of demonstrations adequate facial expressions and gestures The principle of the possibility of informal relationships with clients The principle of orientation to the customer relationships
Purpose of life	The principle of rewarding customers with VIP status The principle of the presence of the board of honor for clients The principle of creating a joint value with customers
Self-acceptance	The principle of distribution to customers sincere compliments The principle of support and assistance of customers The principle of the use of creativity in working with clients

Thus, the theoretical principles of relationship marketing and personal sales are developed. In our opinion, only taking care of the psychological wellbeing of clients there is a possible growth of the main indicators characterizing the effectiveness of personal sales in the context of relationship marketing. As for main indicators, we consider it appropriate to claim satisfaction, trust, engagement, loyalty and comprehensive income. Following the principles of relationship marketing and the principles of personal sales personal agent will raise the level of psychological wellbeing of customers in the long term. At the stage of personal sales - "gaining knowledge", it is advisable to introduce to private agents the essence of relationship marketing and personal sales, the importance of use of psychological theories in marketing.

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