

## **CASE A-4: THE JOHNSON DRUG COMPANY -- *Implementing A Sales Strategy Change***

### **Case Objectives:**

This case is designed to illustrate the relationships among a company's marketing strategy and the behavior of the sales force which must support that strategy. It points out that the sales organization must be responsive to market changes, and that this will be difficult to accomplish without a simultaneous consideration of changes in other areas, such as selection, training, compensation, supervision, and control.

Management's decision to shift to systems selling creates a need to change the role of the sales force to implement the new channel of distribution strategy. There is also an opportunity for one to define the proper role for the sales manager under the systems selling strategy.

### **Overview:**

There is clearly a lack of congruence between sales forces' activities and management's commitment to "systems selling." Even though management is committed to selling the "system," many of Johnson's customers are not buying through the "system."

In the context of "selling system," the salesperson's responsibilities are increased from those of an order taker to those of a business advisor. However, the outward enumeration of increased responsibilities is not sufficient to enable or motivate salespeople to act as business counselors. Essentially, management has upgraded its expectation of the salespeople without providing them the necessary skills and motivation to meet these expectations. Implementation has not taken place.

**Issues/Questions to Be Answered:**

Assuming we agree with management's decision to build a stronger channel of distribution using the systems selling approach, there are several issues and questions that should be considered.

1. What should the salesperson's role and objectives be under the new concept?
2. Are the existing salespeople capable of implementing the new concept?
3. What changes in supervision and compensation are added to better motivate salespeople under the new concept?
4. Should a training program be developed to assist salespeople in learning how to fulfill their new responsibilities?
5. To what extent should the sales manager's role and job responsibilities be revised to correspond to the new distribution/selling strategy?
6. What changes should be made in the company's salesperson recruiting procedures?