Quotes and selections from Walter A. Friedman. *Birth of a Salesman: The Transformation of Selling in America* (Kindle Locations 2758-2922). Kindle Edition.

Sales workers played a unique function in the nation's economy. This was true in the late nineteenth century and has remained so through the beginning of the twenty-first.

Face-to-face sales pitches, confrontation, persuasion, and the exchange of information between buyer and seller remain at least as vital to capitalism today as in 1776, when Adam Smith noted man's propensity to "truck, barter, and

 exchange."

Sales workers perform a range of different tasks: explaining and servicing products, collecting information, and pressuring people to make purchases by overcoming resistance. Sales agents are trained to master both "formal" elements of selling, such as legal constraints, methods of shipment, and so on, and "informal" elements, such as codes of human behavior. They answer specific questions about a product and its application, grant credit to buyers, and make arrangements for delivery.

Sales workers in many industries establish long-standing relations with customers and develop deep insights into the customers' wants and needs, as well as their habits and peculiarities-thereby erecting significant barriers for salesmen from competing concerns to overcome.

Companies today invest in a sales force for many of the same reasons they did in the past. The industries that traditionally relied on salesmen-insurance, automobiles, office machines, branded foods, and pharmaceuticals-did so because they believed salesmen were effective in creating and sustaining demand.

Companies devoted a great deal of time and money to training their sales forces. They investigated the best way for salesmen to talk about products and make "pitches." Salesmen were taught how to answer any type of objection.

They learned to counter the typical maneuvers people use to avoid making a commitment about purchasing a product and to surmount their attempts to say "no" politely. Salesmen and sales managers felt that "prospects," whether consumers or businesspeople, could be influenced in their choices.

They did not think that customers based their choices solely on the objective assessment of information. Salesmen did not simply read a list of a product's virtues, but instead asked open-ended questions and used techniques to handle objections. The ability of salesmen to influence buyers should not be overstated.

The sales transaction itself-the act of persuading someone to buy-proved difficult to systematize and rationalize. Some writers have exaggerated the power of companies to shape consumers' desires and have described the ability of firms to shape buying patterns as a manipulative "apparatus" borne uncomfortably by society. But even companies that used the full arsenal of salesmanship and advertising were in no way "hegemonic," as some historians like to say, in their control of consumer buying decisions.

Sales techniques were not simply manipulative or conspiratorial, if only because selling was so difficult. Most of the time salesmen failed at what they tried to do. Burroughs salesmen found that even in the few cases where a prospect eventually bought a machine, they averaged six calls to close the sale. And most Burroughs sales efforts did not ever result in a sale.

Even the percentage of sales following free trials of the machines, at only 14 percent, was fairly low. But sales managers and salesmen believed that economic behavior followed somewhat predictable patterns and that an awareness of these patterns was helpful in swaying consumers' buying behavior.

Lightning-rod salesmen in the 1870s knew, as did cash-register agents in the 1880s, that people were more likely to buy out of the fear of a loss than the promise of a gain.

John H. Patterson's salesmen, therefore, found their most effective sales argument for the cash register to be the "thief catcher" campaign (even though in official company documents NCR instructed agents against this appeal). Salesmen learned to sell expectations: Book canvassers found more success when they revealed only a portion of a book to a farmer, rather than the whole text, thereby heightening the prospect's curiosity.

Further, people were more often persuaded to make a purchase if they believed that their neighbors, or some prominent people in town, had already bought the product being sold. They did not want to appear unable to keep up with the "Joneses." Research by psychologists tended to confirm the effectiveness of many of the approaches pioneered by salesmen.

Moreover, salesmen learned ways of presenting goods. They knew that prospects were less likely to interrupt a sales spiel if it was accompanied by some simple, seemingly natural, gesture, like digging inside a bag for a free sample, or taking off rubber overshoes in anticipation of being let inside out of the rain-as Fuller Brush salesmen did in the 1920s and 1930s."

Companies invested in their sales workers because they believed that a strong, inspired sales force was necessary to create demand. Though salesmen often failed in their efforts, they created demand in two ways. First, they persuaded customers to buy products or services that they might not have otherwise purchased. This is what Harry Tosdal meant when he wrote about sales "leadership" in the 1950s, and what Walter Dill Scott referred to when he compared salesmen to athletic coaches in the 1910s; salesmen were not manipulating customers, according to these two academics, but overcoming their inertia.

The effort of salesmen to sell major consumer-durable goods, such as cars and appliances, was significant, for it affected the composition of demand among American consumers. The type of goods purchased by households in the 1920s shifted toward many items that were sold by salesmen (and usually purchased on credit), thus encouraging the further industrialization of the economy.

Or salesmen could persuade customers to buy their company's product rather than a competitor's, as when homeowners heeded a salesman's suggestion and purchased an Electrolux vacuum cleaner rather than a Hoover. Salesmen could be effective in this regard, pointing out marginal differences between one product and another. If two cars or two refrigerators were similar in performance and design, salesmen might be able to sway the customer toward one brand or another.

This was not a trivial accomplishment. The consequence of this type of marginal ability to influence consumers could be great. Once "prospects" had purchased one company's product rather than another's, they became customers of that company and were often targeted for follow-up calls or for more promotional material.

They also became familiar with the product and were likely, unless disappointed with it, to continue to purchase from the company again, because this was less risky than trying something new. They had become, as economists say, "path dependent," or as marketers say, "brand loyal." If this product was truly the superior item, then the customer was well served.

But if not, then the effect of this sales campaign was to make a marginally inferior good the standard of the industry. Companies can conquer one sale at a time, and not always with the best product. Large sales forces present a difficult barrier for new companies to overcome.

IBM machines were not always regarded as technologically the best after the mid-twentieth century. Even Thomas J. Watson wrote, "We consistently outsold people who had better technology because we knew how to put the story before the customer."" Similarly, Microsoft products were not considered to be superior to those of all competitors in the late twentieth century, but the company's sales force was unmatched.

Sales Workers Today

Today there are more sales workers than ever before. The number of people in sales occupations in 2000 was 16 million, or about 12 percent of the total employed workforce. This figure includes all types of sellers, from pharmaceutical sales workers to counterpersons at department stores; it is up from about 5 percent in 1920 and 7 percent in 1960. Of the 16 million people working in sales in 2000, about 10 percent are the type of sales workers highlighted in this book-manufacturers' sales reps, business-to-business salespeople, and independent canvassers. About 41 percent of today's sales workers sell in retail stores.

The modern American economy employs a great variety of salespeople. It still has "peddlers," such as boardwalkers and pushcart vendors, and "drummers," who travel for wholesale companies. The names for these sales workers have changed, and their relative place within distribution channels has declined.

But the economy is flexible and varied, and the importance of different channels changes with time. Since the early twentieth century, as this book has shown, the trend in large companies has been to favor sales management, branding, consumer research, and careful personnel selection.

The demographics of America's sales workers have changed. Nearly half (49.6 percent) of the total sales workers recorded in the 2000 census were women. This has changed the vocabulary of selling. The word "saleswoman" was used in the late nineteenth century, usually to refer to a retail sales worker. In the 1970s, as the number of women in sales jobs increased, there were scattered, clever, references to "saleswomanship," but the word did not catch on.

The main tendency in the final decades of the twentieth century was to refrain from using the term "salesman" in favor of the gender-neutral word "salesperson;" a verbal adjustment similar to the one that had led to the coining of "chairperson" and "anchorperson" at the time. This change was overdue. The development of sales forces at large companies, beginning in the late nineteenth century, not only favored the hiring of men for sales positions, but also equated good salesmanship with manliness.

Part of the effort of sales managers had been to present selling as a masculine pursuit-to play up the "man" in "salesman," as a business executive said at the 1916 World's Salesmanship Congress. But women had long been prominent in retail sales; they had worked as book peddlers in the nineteenth century and insurance agents in the twentieth. In the late twentieth century, too, women gained entry to other forms of selling, especially service-centered industries, working for investment banks, credit-card companies, and other financial service organizations.

Women were also prominent in the field of direct selling as the "party plan" method of distribution replaced door-to-door selling. In fact, they dominated in several of the largest direct-sales companies, including Avon, with a sales force of about 3 million worldwide, and Tupperware and Mary Kay with about 1 million each.

Other changes have occurred in the composition of sales workers. Many more are employed by foreign companies in the United States than at mid-century. Some of these workers come from the host country, but many are born in the United States and work for a foreign-owned concern.

The Japanese automaker Toyota, for instance, began to expand its dealership network at home in the early 1950s, sending salesmen door-to-door, just as American companies had done in the United States. After succeeding against intense domestic competition from Nissan, Toyota began developing North American dealerships in 1957. In 2002, 1,740 Toyota dealers were at work in the United States?' In addition, the Toyota salesman, thanks to John Updike's Rabbit (rhyming with "Babbitt") Angstrom, is represented in fiction.

Rabbit sold the highly efficient Toyotas during the oil shortage of the 1970s, when dealers hung flags that announced "Fuel Economy." Rabbit told his customers, "You've just put your hand on one super machine," when they noticed the Celica GT Sports Coupe, which, he added, came with many standard features, such as steel-belted radials, a quartz crystal clock, and an AM/FM stereo.

Despite changes in the gender composition of the workforce, and increased competition from overseas, many aspects of salesmanship in America remain the same. With changes in demographics, culture, and technology, the methods, intentions, and uses of modern selling have persisted. The same industries that relied on face-to-face sales workers in the mid-twentieth century still rely on them today, and for similar purposes.

Some of the largest sales forces among manufacturing companies are in the field of beverages, including Pepsico and Coca-Cola, and pharmaceuticals, including Johnson and Johnson, Pfizer, Novartis, and Procter and Gamble. The computer industry is another one that contains many firms with large sales forces, including Microsoft, IBM, Oracle, Hewlett-Packard, and Xerox. All these companies have sales forces with more than five thousand agents, and Pepsico's and Microsoft's exceed thirty thousand.

Salespeople have been essential in the growth of high-tech businesses, ushering in the rise of computer hardware and software firms just as they had pushed the cash register and IBM's punch-card machines. Digital Equipment Corporation and Hewlett-Packard developed sales forces to sell their mid-range systems, as did Oracle and Computer Associates to sell software.

Cisco Systems also had a strong sales team pushing its networking hardware. The high-tech companies of the late twentieth century tended to be combinations of charismatic "high-tech pioneers" and "pioneer salespeople," commented one business writer.

There has also been rapid growth in sales forces working for companies in the financial services industries. These salespeople log many hours on the telephone, but they also visit clients, working out complex deals. Among the largest service-sector sales forces are American General and Citigroup, with over 100,000 sales representatives each.

Methods of sales management are also similar in many ways to those used before. Most of the innovations in sales management were in place by the early twentieth century.

Managers still attempt to align the incentives of sales workers with the goals of the company. They create compensation schemes, adjusting commission rates and salary. They train sales workers, sometimes through online programs, and hold conventions and motivational talks. They assign sales territories, sometimes by region and sometimes, as at Xerox, according to product lines.

Salesmen and managers remain hungry for information about customers. Just as salesmen had been quick to exploit the changing technology of the late nineteenth century, so too did companies throughout the twentieth century make use of new inventions to allow salesmen and managers to gather information about clients and customers. The amount of information collected by companies has increased dramatically in retail selling with the use of point-of-sale scanners, which give retailers instant sales data about individual items at the checkout counter. Internet shopping has also allowed retailers and manufacturers to collect information about an individual's credit-card debt, personal shopping tastes, sizes, and color preferences.

Some companies use video footage of consumers to analyze their behavior in shops and malls to figure out how to display merchandise and control the flow of shoppers through their stores.

All these methods of gathering and analyzing data are extensions and enhancements of strategies used earlier in the century, rather than representing anything entirely new.

Studying Selling Today

The study of salesmanship has also followed trends established earlier in the century. Sales management at business schools now tends to be subsumed under the larger discipline of marketing. Sections of Philip Kotler's textbook Marketing Management-first published in 1980 and reprinted frequently afterward-cover familiar themes: sales-force strategy, sales-force size, compensation, recruiting and selecting sales representatives, training, and motivating sales representatives.

As relations with customers have become more complex, the language of the study of salesmanship has changed as well. In the 1990s, academics such as Benson Shapiro at Harvard Business School talked not just about transactional selling (one-time quick sales, like those made by canvassers) and system sales (long-term relationships forged between salesperson and buyer, like those developed by NCR), but also strategic selling, in which buyers and sellers formed even closer bonds, by offering joint products or services.

While business schools have continued to offer some type of sales management instruction-usually within a larger marketing course-they do not offer courses in salesmanship skills. The topic remains, just as it was in the 1910s, more suitable for popular how-to books and memoirs of successful salespeople than for academic classes.

Economists, for their part, still tend to ignore the role of salesmanship in the economy. In recent years, however, more have attacked neoclassical understandings of the marketplace, including analyses of the ways that consumers make decisions.

They have questioned the idea that consumers consistently make logical and rational choices when they buy. The 2001 Nobel Prize in Economic Sciences, for instance, went to A. Michael Spence, Joseph E. Stiglitz, and George A. Ackerlof, who studied the way that asymmetric information affected decisions made by buyers and sellers.

They criticized the traditional idea that the only task facing buyers and sellers was to negotiate an agreeable price, which would signal to companies how much to produce in the future (with a high price telling sellers to produce more goods). Ackerlof was cited, in particular, for his 1970 paper "The Market for `Lemons,"' which appeared in the Quarterly Journal of Economics.

Ackerlof wondered what happened on a used-car lot when the salesperson did not disclose all available information about the quality of the car to the buyer. The buyer worried about the condition of the vehicle and whether the price was too high. The dealer knew the condition of the car, but the buyer did not. This prevented the price mechanism from functioning effectively.

Because of the lack of information about used cars, people who owned good cars were less likely to trade them. The example of the used-car salesman was simply one exploration of a larger theme: markets did not follow neoclassical rules when there was unequal access to information. (Such situations also call for government correctives, such as "lemon laws.")

The 2002 Nobel Prize for economics was also given to academics who studied market imperfections. But they looked at the problem from another angle, one with more relevance to buying and selling-and to the activities of salesmen. They attacked the idea of most mainstream economists that consumers make decisions systematically, based on their own personal preferences and the available information. These behavioral economists critiqued the idea that people made logical decisions; they have found that customers are motivated, for instance, by risk aversion and at other times by altruism.

Daniel Kahneman, a professor of psychology at Princeton University (who shared the Nobel with Vernon L. Smith) suggested that consumers often acted irrationally or illogically in their decision-making.

Other economists have also pioneered this field, including Matthew Rabin of the University of California, Berkeley. Rabin described the importance of collaboration between economists and psychologists in his article "Economics and Psychology." Standard economic theory, wrote Rabin, assumed that "each individual has stable and coherent preferences, and that she rationally maximizes those preferences." By researching human judgment and behavior, the work of psychologists "can teach us about making [the utility function] more realistic than under standard economic assumptions.

For instance, Rabin's psychological research revealed that the displeasure of financial loss was greater than the pleasure of financial gain, and that people made systematic errors in analyzing the choices that confronted them and in evaluating their preferences. The rules of salesmanship, practiced for generations, map out economic behavior along similar terms in sales scripts and strategies.

This does not mean that sales workers or entrepreneurs theorized about the nature of rationality and irrationality in the marketplace, but rather that through their experiences, they collected stories and anecdotes about actual buyer behavior. The new perspective that economists are applying to the study of nonrational buying activity may provide a better understanding of economic behavior, including the interactions between salespeople and buyers.

The Culture of Salesmanship Today "salesmanship" seems omnipresent, influencing how Americans think about business, capitalism, and self-advancement. It appears such an integral part of the economy that people assume it has no history, or if it does, that it is merely the story of a "peddler's progress"-simply the saga of fast talking on a grand scale.

But as this book shows, the invention of the sales personality and the construction over time of methods of modern salesmanship have a long and complex history. Modern salesmanship developed under specific economic and political circumstances, led by entrepreneurs in particular industries who wanted, or needed, to systematize selling.

The buildup has been institutional, organizational, and cultural. The evolution of a science of selling has led to an economy of "rational exuberance," with calculated waves of products, announcements, inventions, improvements, and regularly generated promises by companies of "satisfaction guaranteed." The effects of the growth of sales and advertising have been pervasive.

They emphasize both the "creative" and "destructive" aspects of capitalism, to borrow words from the economist Joseph Schumpeter-one of the few economists whose writings about capitalism paid tribute to the energy of entrepreneurs. Schumpeter described capitalism as a process of continual change that replaced old products, traditions, and business organizations. The distinguishing aspect of capitalism, in his famous phrase, was that it was constantly swept by a "perennial gale of creative destruction."

The rise of modern salesmanship was "creative" in ways that Harvard professor Harry R. Tosdal and Fortune editor William H. Whyte described in the 1950s: The coming of large sales forces was intimately connected with the development of mass production and the long upward trend in the American gross national product.

Salesmen introduced new inventions and encouraged businesses and consumers to "trade up." They pushed the goods that defined the American economy, including new office machines, automobiles, vacuum cleaners, soft drinks, breakfast cereals, and computers.

In 1931 Henry Ford remarked that product standardization had brought an abundance of choices. "Machine production in this country has diversified our life, has given a wider choice of articles than was ever before thought possible-and has provided the means wherewith the people may buy them," wrote Ford. "We standardize only on essential conveniences. Standardization, instead of making for sameness, has introduced unheard-of variety into our life. It is surprising that this has not been generally perceived."

Ford's statement is counterintuitive, but the advent of mass production, and mass salesmanship, brought lower prices and more products, fabrics, designs, and colors (despite Ford's own preference for black), and salesmen were essential to introducing these goods and options.

Modern salesmanship has also been a destructive process, sweeping out products, ideas, and companies. Highly managed sales forces have been relentless in their work. Some-at United Fruit, Standard Oil, National Cash Register, and Burroughs Adding Machine, to name a few-have at times engaged in inefficient and even unethical behavior in their efforts to crush competitors.

"Salesmanship," with its element of confrontation, is an inherently unlikable process. There is something unsettling about the salesperson's telephone call for an appointment, approach on the car lot, or knock on the office door. People hate to be forced to make a decision, or to be talked into anything, and are especially fearful of being duped.

Salespeople themselves are disliked. In a 1940 survey, middle-class mothers with young children ranked selling as the least desirable career choice for their sons-storeowner, teacher, dentist, and bank officer all finished above realtor and insurance solicitor.

Similarly, a 2001 Gallup poll of honesty and ethics in professions ranked car salesmen lowest; just above them on the list were advertising writers and insurance salesmen. The logic of salesmanship is relentless, turning everything, including employees, into products.

The image of Willy Loman, who was fired when he became unproductive, is "as pertinent today as ever," wrote a New York Times critic during the play's Broadway revival in 1999.

The hiring and firing of workers is uniquely easy in America, allowing the quick buildup and dismantling of factories, branch offices, and service centers. The Economist commented on the message of Miller's play: "Every country in Europe would kill to have a capitalism that spits out inefficient people like Willy as ruthlessly as America does.

Willy's frantic desire to compete, his merry recital of the management cliches of the day ('It's not what you sell; it's how you sell'), his determination to imitate his legendary brother Ben: all these things are what keeps America ahead of its peers.

Yet, as the magazine also noted, the problem remains of what to do with those displaced by the changes in salesmanship. The story of American salesmanship is part of the broader history of the country's unrivaled economic growth. Modern sales methods have been an essential part of the performance of America's production and service-related industries.

Salesmanship, too, as critics and fiction-writers have demonstrated for decades, is entwined with the negative consequences of this growth: the uprooting of old businesses and technologies, the problems caused by swings in unemployment and in stock market valuation, the conspicuous consumption of products and foods, and the ecological disaster posed by piles of worn-out merchandise. Most of the tens of thousands of new products introduced in the United States each year fail even to reach the marketplace.

Modern salesmanship arose in America largely because of the country's scale of production, coupled with its Progressive Era culture of rationalization and system building; it has become an integral part of the global marketplace over the past decades, taking form as marketing research, branding, advertising, and personal selling carried out worldwide.

Yet most people do not have a good understanding of what salesmen and saleswomen do. They see salespeople-in stores, at work, or on the car lot-but do not recognize the institutional and administrative systems that have defined their roles. In popular culture, for example, sales workers are represented as transactional sellers-individuals who sell a single good and then move quickly on to the next prospect.

For instance, the Maysles brothers' documentary *Salesman* features Bible salesmen; Barry Levinson's film *Tin Men*, aluminum-siding salesmen; and David Mamet's play *Glengary Glen Ross*, realtors. Popular culture does not recognize the "scientific" seller; the salesperson who makes use of data, works on large accounts over years, and is supported by a large corporation does not hold the same dramatic appeal.

An awareness of the modern salesmanship is crucial for understanding the history of American economic and social change. All countries throughout time have had charismatic individuals who possessed the ability to charm and persuade. With the development of sales forces at large firms, the United States became distinguished by having armies of individuals with "trained" enthusiasm, replicated sales pitches, and handy credit terms, backed by established organizations.

Salesmen and saleswomen are at the center of the story of industrialization, innovation, and change. All their appointments, questions, objection-handling routines, goodwill work, missionary calls, and "closings" have pushed American capitalism, with its vices and virtues, into every corner of the globe.

Objections.

Following Source: Don C. Prentiss, Ford Motor Products and Their Sale (Detroit: The Franklin Press, 1923), p. 443-494.

Walter A. Friedman. Birth of a Salesman: The Transformation of Selling in America (Kindle Location 2922). Kindle Edition.

• Believe there will be another drop in price. I am going to wait.

• They will be making some improvements. I am going to wait.

• I promised to see another dealer before I bought.

• I do not want to buy on time. Will wait until I can pay cash.

• I don't want to pay interest.

• I object to borrowing.

• I am afraid of business conditions in my line.

• I'll buy when business picks up.

• I must have immediate delivery.

• It will be three or four months before we will have the money.

• I am not ready yet.

• I'll wait 'till spring.

• I'll wait awhile.

• I'd like to have a car, but I don't want to get it now.

• I want a larger car.

• I cannot afford a car.

• Too expensive for me to keep up.

• There is no hurry, you will be around again.

• I guess I can get along without a car (or truck, etc.)

• I don't want a car.

• I do not understand mechanics and I don't want to bother with a car.

• My wife does not want me to buy.

• I want to think it over.

• I guess I'll get a

• I am not in the market now.

• I am not interested.

• There is no use going into it. I know in advance that I do not want to take it up.

• Crop conditions are too poor to buy now.

• We have decided to build a home before we buy a car.

• Any car but a Ford.

• I could hardly meet the payments and I haven't enough to pay down.

• I don't like to assume the obligation.

• I do not want to put the money into it.

• I have planned to put my money into other things.

• I could not meet the payments.

• Another Ford salesman!

• I'll wait until after the holidays.

• I am not interested now. You might come around later.

• I can't decide today.

• I know a man who bought a Ford who said it was no good.

• I need the money.

• I am too busy to talk with you now.

• I am satisfied with the car I have.

• You would be wasting your time on me.

• I'm satisfied with the savings bank.

• I can use my big car.

• We have plenty of large trucks.

• You are a clever salesman.

• Write us your proposition.

• You claim too much.

• It is your business to sell me and of course you will try to sell me.

• I don't believe I can go ahead with that.

• Ford upkeep is too expensive.

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