

I—What Quality Means to a Salesman

SOME years ago H. J. Heinz was implored by his salesmen to put out a ten cent can of tomatoes.

At that time the Heinz product was a twelve cent seller, and his salesmen thought that if they had a cheaper brand it would be a simple matter for them to meet the lower priced competition.

But Mr. Heinz would have none of it. "Don't you know," he said, "that the reason this business has been successful is because we don't have a ten cent can to sell. We don't want to put ourselves in the 'ten cent' class. **Sell quality and the price won't matter.**"

There are salesmen today who have the same notion about the price question as the Heinz salesmen then had. They **are convinced that the reason they cannot get more business is because their price is too high. If the house would only cut the prices a little they know they could get a lot more business. But could they?**

The Steinway piano sells for nearly three times the price of a piano made by a competitor who claims that his piano is just as good as a Steinway. Yet last year Steinway salesmen sold twenty-five pianos for every instrument sold by the price competitor.

A Price Raise that Increased Sales

You can get a seven-passenger automobile as low as \$750, one-fifth of the price you would have to pay for a seven-passenger Cadillac. Yet more than 22,000 Cadillac cars were sold last year to people who willingly paid five times as much to get Cadillac quality. When all other automobile manufacturers were reducing prices in 1914, Cadillac deliberately raised its price. The salesmen were positive that sales would suffer. But on the contrary they increased even faster than they did with the lower prices. A recent analysis of the cars registered in the city of Detroit shows the Cadillac as third on the list, with more cars than all the so-called popular priced cars with two exceptions.

If you are willing to walk up a flight of stairs you can buy a suit of clothes that looks like wool for \$17. Sears, Roebuck & Company list garments for even less in their big 1922 catalogue. As compared with these cheap garments Hart, Schaffner & Marx clothes sell for two to three times as much. But the public knows them as being all wool. Consequently Hart, Schaffner & Marx, selling a suit at twice the price of its competitors', does almost as much business as all its price-cutting competitors put together.

Only a Quality Business Can Endure

During the ten years that the Evinrude motor has been on the market more than fifty competitive motors have been brought out to sell at a lower price. Nearly all of these cheaper motors have fallen by the wayside and there are now more than 150,000 Evinrudes in use.

A survey of sales of members of the American Association of Wholesale Opticians shows that **the companies who do the bulk of the business are not those who have the lowest price, but those who put out the highest quality merchandise and charge prices commensurate with quality.**

Take your own line. How many concerns are there who undersell you in price? These competitors go about the country saying that their product is "just as good" as yours. They advance all kinds of imaginary reasons why they can undersell you. They share the advertising "saving," operate a profit sharing plant, control their own sources of raw materials, or offer some equally plausible excuse for their lower price. Naturally they make an occasional sale—you can sell some people anything once—but **the fact remains that the combined sales of these price pirates is but a fraction of the business done by the quality houses.** Moreover, the quality house will be in business and prospering when the man who stakes his future on price alone will have long since been forgotten.

Cheap Prices Give the Lie to Quality Talk

These quality concerns are able to pile up these sales records, not because of their price, but in spite of it. The price of a Steinway piano is its badge of quality. Even though there may be other pianos "just as good," the man who buys a Steinway gets its extra cost back every time he looks at it in his drawing room.

"I am quite aware that I am paying more for a Knox hat," says Justice Brandeis of the United States Supreme Court, "but the feeling that I am wearing a Knox hat is worth the difference."

Cheap things are made for people who cannot pay more; for people who must get along the best they can with something almost as good. Such goods are built down to a price, rather than up to a standard. Lacking quality, sooner or later they will cause dissatisfaction. The buyer forgets that when he made his purchase he compromised with something cheap. He expects the same service from his \$150 stenciled piano as he would from a Steinway. **When the expected service is not forthcoming he is aggravated and put out. Forever after he is "down" on the man who sold him.**

The Price Is Soon Forgotten

Contra wise, the man who buys a quality product soon forgets that he paid more for it, and remembers only the satisfaction it gives him. Just as the man who buys the substitute regrets it ever afterward, so the man who buys a quality article will be a lifelong booster for the man who sold it to him. **Quality is the strongest backing you have.**

Quality means repeat orders. It means trade that stays with you year in and year out. It means that you will be able to hold what you have and add to it. In short, it means enduring success, and not success built upon the quick sands of here-today-and-gone-tomorrow customers.

A certain salesman for many years represented one of the large St. Louis coffee houses in a southwestern territory. The line was one that sold on a quality basis and was generally recognized by the trade as being a business builder. During the ten years that this salesman had been with this house he built up a good trade and had a great deal of secret satisfaction in knowing his relationship with most of his customers was so intimate that they would buy anything he told them to buy.

One Salesman's Tragic Mistake

Two years ago, an eastern house, learning of the big business that this salesman was taking from this territory, made him a proposition. It was a very attractive proposition. In fact it was so attractive that on the basis of what the salesman sold in 1920 he would make from two to three times as much money with the eastern house. So he decided to make the change.

Being a good salesman and well liked by his trade, it was not difficult for him to get many of his old customers to try the new line. Aside from his personal acquaintance with the trade, the new line allowed a larger margin of profit to the dealer, if the dealer wished to take it, and you know how the dealers love to hear the jingle of the extra profit in their cash registers. Consequently, the first three months the salesman had the new line he did a land-office business. He wondered how he had ever been such a fool as to work for his old employer at such a piker salary.

But our friend was soon to learn one of the great lessons of business. The next trip over his territory found the trade, which once welcomed him with open arms, chilly and distant. The dealers had forgotten all about the extra profit that they made on his coffee, and complained bitterly that it did not repeat. The housewife who bought it once, went elsewhere for her next coffee. And the reputation for having high quality coffee which the merchant had built up among the housewives of his town was soon dissipated.

When Customers Don't Come Back

So the second trip was the last trip that this salesman ever made over a territory in which he had spent the best ten years of his life. Today he is selling insurance on the Pacific coast. He may be making more money than he did selling coffee, that I do not know, but I do know that his failure as a coffee salesman began and ended the day he forsook quality for price.

There is still another objection to a price business, which though less immediate in its affect on a salesman's success is quite as important. I refer to the demoralizing effect on the business as a whole, and particularly its deteriorating effect on the organization behind the sales force. **If your house should follow the plan of meeting every price cut as it comes along it would not be long before there would be no figure for your customer to use as a basis of price comparison. In other words selling would simmer down into a seesaw proposition. You have the lowest price today, and your competitor has it tomorrow.** The cutting and re-cutting would continue until a point was reached where the normal profit required to operate a business had been absorbed. What would be the next step? Either one of two things, go out of business or take the profit out of selling or operating costs. In either case you would suffer.

Price Cutting a Fool's Pastime

That is why business men of big vision refuse to become a party to any price-cutting contest. They know that at best it would be but a temporary advantage, held only until competitors had time to pull themselves together for a still deeper cut. And they know, too, that **permanent success can be built only on a quality foundation. A cut in price—if out of line with the general market trend—will undo a reputation for quality quicker than any other one thing. It breeds suspicion. Buyers think: "If his stuff were as good as he says it is he wouldn't have to cut the price." And it is logical.**

So the next time you feel tempted to complain about the slowness of your house to meet a competitor's price remember that there is another side to the situation other than the one you see. Perhaps we are a good deal like the little boy who wanted the candy.

Quality Makes Salesmen Possible

It is not difficult to understand why quality is such a great force for success in sales work. Were it not for quality there would be no salesmen, as we understand the word in its modern sense. If every brand of shoes were made to the same specifications, all that a manufacturer would have to do would be to send out a price list. If his prices were lower than those of his competitors then he would get the business. It would be a simple matter. But the moment one manufacturer decides that by using a better grade of leather his shoes will give greater satisfaction and he must charge more for them, then he must use salesmen to explain to the dealers how the higher priced shoes will wear longer and make satisfied customers for him. If

the salesman's explanation is convincing then the dealer will pay the extra price to get the better leather in the hope that his customers in turn will be better satisfied.

What a Salesman Owes to His House

So you see that quality is synonymous with satisfied customers, and we all know that the product which gives the most satisfaction in the long run, is the easiest to sell. This thought was ably expressed in a saying often credited to Emerson that the world will build a path to the door of the man who can write a better book, preach a better sermon or build a better mouse trap, even though he make his home in the woods. As a salesman you want to tie up to the house which puts the kind of quality into its product that will cause people to recognize them as being the standard by which all competitive products are judged.

Never lose sight of the oft forgotten truth that a salesman's success is six-tenths himself and four-tenths his line. **If you sell a thing that is better than your competitor is selling you may be sure that the world will find it out and want it. When people start wanting the thing you are selling the measure of your success depends only on your ability to fill positions of greater importance.**