

strategy. The first step obviously involves greater discrimination in the selection of goods. Merchandise having inherent salability and susceptible to a glamorous treatment will replace the ugly ducklings which must be worked off on the bargain counters.

Now, under a highly selective system of buying, it is apparent that many products will be rejected. Those who continue to manufacture along traditional lines will become "marginal producers" who can operate with profit only in those periods when demand is beyond supply. And it is somewhat surprising to find how so many businesses are still being guided by the traditions of another era. Traditions which were once the stabilizing ballast of the business but have now become a dead weight upon it. Quite frequently we find these enterprises running contrary to the gravity of the times, doing business in economic valleys and then exerting prodigious effort to push their products into the uplands of trade. How rare it is to see a business set upon a high peak with its products flowing easily and naturally downhill to market. From such an eminence the whole marketing panorama spreads out in distinct perspective. Important trends are discerned in advance and the problems of the future clearly foreshadowed. We have already considered some examples of management which plots its course from the high places. We have seen how their problems have been anticipated and how their tactics of 1930 simply reflect the strategy of 1929. It is not inferred that such management can establish peak records in subnormal years. But it is important and material that these companies are not swerved from their course either by the four leaf clovers of prosperity or the thistles of lean years.

Perhaps nothing is more significant than the constructive way in which enlightened management utilizes the periodic "breathing spells" of business. These are as natural as the tides, and like them, the ebb is inevitably followed by the flood. Discerning management finds in these periods a splendid opportunity for rehabilitation. It is a time for planning, for testing, for building, for reorganization. And to the producer who would be prepared for coming eventualities it is a time for self-questioning. Questions like these:

As to general business conditions, how about 1931? What is the trend of public taste on prod-

ucts like mine, and how can it be anticipated? To what extent is my current product now flowing downhill to a receptive market? In what particulars is my product handicapped in reaching through to the consumer? Have I established proper trade incentives to assure reasonable exploitation for my goods? Is the return from my investment in marketing effort increasing or decreasing? Is my advertising of the "triple threat" type which registers with the consumer, wins the active co-operation of the dealer and is sincerely endorsed and used by my sales force? To what extent is my sales organization forced to adopt high pressure selling methods to offset defects in my product and merchandising plan?

This reference to the sales organization reminds me that no consideration has been given as yet to the function of personal salesmanship in meeting the marketing problems of 1930. It has been purposely left to the last because, under proper conditions, the work of the salesman represents the climax of marketing effort. Unfortunately, the average salesman for the average company too often represents an anti-climax which is not of his making. After some seventeen years of personal selling and sales direction I reached the conclusion that the rising cost of salesmanship was largely due to a misconception of its proper functions. Under modern conditions the normal trend of salesmanship is toward specialization in functions for which there is no substitute. His specialty is dealing with the human equation, particularly those situations which require action. He is the ambassador of his house, charged with the important responsibility of maintaining good-will. He is a merchandising specialist who can show his customers how to move his goods more quickly and more profitably. He is the high priest of his company's marketing plan, believing in it—selling it—making it work. To use a homely simile, the modern salesman is a specialist in harvesting. To others is left the job of selecting the right soil, of sowing the right seed, of tilling and fertilizing.

And it is in this preparation of the marketing field for a more economical harvest that advertising has won its spurs. As a fertilizer and top dressing, it enriches and invigorates the soil. It can and does make two blades of grass grow where only one grew before. And if good seed has been sown in worthy soil, advertising will help the

harvester to establish the cost of his work in proper relation to the value of the crop. Naturally, this advertising fertilizer has its limitations. It will not grow pineapples in Minnesota; it will not change the essential qualities of the seed; it is not a substitute for tilling and harrowing and weeding, and it will not justify a crop which should never have been planted. But it is from just such misconceptions that advertising has suffered most—both within and without the profession.

Reverting to salesmanship, it seems to me that in meeting the problems of 1930 the good salesman who carries the shield of "wanted goods," the buckler of a definite marketing plan, and the sharp sword of "triple threat" advertising will rise to the occasion.

And now in conclusion I want to quote from a letter which I believe represents the epitome of all that has been discussed. It is from the general sales manager of an important company addressed to one of its principal jobbers. It is purely extemporaneous—dictated from the mind and the heart in the course of the day's regular round of activities.

April 10, 1930

Dear Mr. . . .

I think we all pretty well agree on the job that is ahead of us; we, on our part, have got to create better consumer interest in floor coverings and house furnishings; we have got to be in advance of the rest of the market in style, color, sizes and new fabrics. And of course we have got to price our lines right and make goods the consumer wants and will readily accept.

You, on your part, have got to establish dealer confidence through service, but the big thing to me, as I see salesmanship today, is to sell our merchandising plan and when this is sold, our merchandise will naturally follow, if it is the right kind of merchandise.

I do feel, however, that our distributor's men, as a whole, are not talking as they should about our resale program, concentration by the dealer on the best selling patterns and colors and on the right sizes, the elimination of "plugs" and dead stock, the carrying of a model inventory, only one rug of each, the budgeting of their purchases, a knowledge of their own market, the matter of price range

in retailer's stocks and all of the many things which go to make up real merchandising.

I do not think that you will begin to get all the benefits from our sales program until your men talk this thing first, last and all the time; that they make the retail dealer see that his first cost is not his ultimate cost. I do not believe you will get the dealer's full confidence and his full support until these things are accomplished.

Our promotion men are trying to get this program over but it is a radical step. It is telling a lot of merchants a better way to run their business, and they do not accept this suggestion kindly, thinking that because they have had success in the past, they are going to be successful in the future.

There is too much waste in the distribution of most commodities. Manufacturing, on the other hand, is on a pretty scientific basis today and competition among manufacturers is very keen.

Retailers on the other hand continue to increase their overhead and the poor consumer has got to pay all the freight bills.

I think the thing we all want to do today is to do our job to the very best of our ability, internally and externally, and I can say to you we are bending all of our efforts in this direction, and while we cannot accomplish all we would like to do, yet I think you will agree with us we have made a good start in the right direction this past year.

Instances are coming to our attention frequently of retailers who a year ago were bitterly opposed to our sales plan but who are now lining up with distributors. Through our best selling pattern program and one rug of a kind, along with the rest of it, they are now getting a turnover that they never knew was in the business—eight, ten times, as high as twenty times, a year turnover.

Very truly yours,

I believe this one letter from the rifle pits gives a clearer picture of the sales problems of 1930 than all the words which have preceded it. Better yet, it shows what is being done about them.

In this, our time of marketing trouble, it is possible to become overly morbid in an atmosphere of dissections and post-mortems. But this trouble will pass, as it always has, leaving us the heritage of a surer marketing technique against the future that we are facing.