

UNETHICAL PRACTICES

Unethical sales practices are one of the main factors that give sales professionals and recruiters a bad name. All it takes is one sales rep to engage in shady sales tactics to cause significant damage to your brand. Especially if they are doing it to one of your major customers.

Here are 4 unethical sales practices that will damage client relationships and risk your brand reputation:

1. Making promises you know you can't keep

Never make promises that you know you will not be able to keep. This often happens when sales reps promise a specific delivery date, product volume, or service capability. Making a promise you know won't hold up will only damage your relationship with the customer. It's a lose-lose situation. Honesty is always the best policy. Only promise what you can deliver.

2. Not fully disclosing information

Knowingly not disclosing important information included in your contract with your customers is shady. Customers do business based on what is outlined in the contract. If you omit information when agreeing to contract terms, you can catch them off guard and hurt their business, not to mention doing damage to your relationship with them.

3. Misrepresenting your products and services

Some believe that a little white lie won't hurt anyone. But it can and it will. Misrepresenting a product or service can help you close a deal in the short term. It will also hurt your relationships with your customers and make them think twice about renewing their contract.

4. Pushy, unethical sales practices

Perhaps one of the most commonly cited unethical practices is being pushy. Trying to close a sale at all costs is not only unethical, it puts unnecessary pressure on the customer, forcing them to make a quick decision that could hurt their business. Even though you may close the deal, it can hurt your long-term ability to turn that transaction into repeat business.

CONSEQUENCES OF UNETHICAL SELLING

- i. The company may face legal issues.
- ii. Customers may not trust the company and stop purchasing the products.
- iii. The sales and profits of the company may decline.
- iv. The unethical behavior of just one salesperson can undermine the reputation of the company.

Misrepresentation , bribery, providing inaccurate information, unfair trade practices are not only unethical but also illegal.

Manipulating sales contests for personal gain, declaring previous month's sales as sales of the current month, encouraging co-workers to behave unethically.

CAUSES OF UNETHICAL SELLING

- i. Sales quotas: There is often an overwhelming pressure on sales people to achieve sales quotas. Therefore, they push hard and make even 100 new calls each day. Under pressure they sometimes resort to questionable practices to accomplish the targets.
- ii. Threats: In case a salesperson fails to achieve the quota he /she faces pay out, demotion and even dismissal. In order to save their jobs sales people may lie and do whatever is necessary irrespective of ethical implications.
- iii. Lack of Training: Training of sales persons takes weeks and even months. But most companies focus on product knowledge rather than on ethics. They are told to make enough calls and Increase sales.

- iv. Minimum Support: Sales management is often overloaded with paperwork. The down the line manager is given the authority to interact with salespersons on a day to day basis. The manager rarely provides support and assistance to the field sales force.
- v. Assumption: Whenever salesperson with sales experience are hired, the company assumes that they know how to sell. The new employee may require greater prospecting and at a Different compensation level.
- vi. Association: Most salesperson enter the career with a intend to do well and be honest . But a senior salesperson may not be a good trainer despite being a top performer. If superiors are not ethical, the new hires may be tempted to be unethical.

MEASURES TO IMPROVE ETHICS IN SELLING

1. Include ethics in the training programmes for sales persons.
2. Ensure sales manager provides instruction, assistance and support to field sales force.
3. Hire people with right attitudes in addition to selling skills.
4. Do not threaten salesperson who fail to achieve sales quotas.
5. Set a code of ethics for sales and other staff.
6. Create an ethical culture and communicate its importance to all.
7. Define what is ethical selling and how to ensure it.

IMPORTANCE OF ETHICS IN SELLING

1. Salespersons are the face of the company.
2. Customers judge a company's ethical standards from the behavior of its sales force.
3. Ethical selling builds trust with customers which in turn brings repeat sales and creates brand loyalty.
4. Ethical behavior of sales force is essential for relationship selling.
5. A company will not face legal issues in case its sales staff behaves ethically.

6. By following ethical standards Salesforce can improve the public image and reputation of the company.