

Is this High-Pressure Selling?

This firm relies on heavy promotional tactics in order to generate their sales, which some people might term 'high-pressure' selling. Review the following case; are they effective marketers or are they engaging in unethical practices that need to change?

About their Selling Process

Massage chairs are products that are sometimes promoted in shopping malls. However, this particular case concerns the approach of "Resting and Relaxing" in their role of promoter and distributor of high-end (high quality) massage chairs.

They have identified that their key target market are couples aged 60 years and older. They have a system of obtaining ongoing lists of prospects by their 'win-a-chair' promotion that they frequently use in their shopping mall demonstrations. A week's display at a shopping mall typically generates around 500 leads for potential customers in the right age group.

About a week or so later, the company phones each of these prospects and states that they will be in their area next week and would like to conduct some market research only with them regarding their chairs and for their time they will receive a free gift.

This 'research' gives the company salesperson about an hour or so with the couple, where they try the chair in the comfort of their own home. The salesperson also works hard to build a good rapport with the couple as this typically leads to a better sales result.

At the end of this sales encounter, if the couple states that they cannot afford the \$2,000 chair, the salesperson offers a three-year interest-free finance deal - and then states that *"the cost is less than \$2 per day - isn't your bad back worth that?"*

If the couple still does not want to buy the chair, then the salesperson will typically say *"I'm not allowed to do this, but you're such a nice couple, I'll leave the chair here for a few days without any obligation"*. This gives the salesperson a reason to return and try another sales pitch to gain the sale.

Student Discussion Questions

1. Is this marketing and sales approach a legitimate strategy, or are they being unethical with their giveaway promotion and the pretend use of market research to set up a sales appointment?
2. Could the firm benefit from adopting a more relationship-based approach to their sales, or is this a product that clearly requires a transactional marketing approach?
3. If the firm wanted to move to a more relationship-focused selling style, what changes in their system would they need to take? Do you think that these changes will make them more or less successful?