

# A Comparative Study of Sales Modes

Wenhui Zhong

<sup>1</sup>Graduate University of Mongolia,Ulaanbaatar,999097-15141;

<sup>1</sup>Guangzhou Nanyang Polytechnic College,Guangzhou,510900.

105513201@qq.com

**Abstract.** The product sales of an enterprise determines the rise and fall of the enterprise, and whether the product can be successfully sold is mainly determined by the salesmen. If the salesmen can properly understand and use various sales modes, it can achieve multiplier good effect with half the effort. On the basis of sorting out the existing literature, the research compares and analyzes the advantages and disadvantages of various sales modes, clarifies the practical application differences of various sales modes, and provides valuable reference suggestions for salesmen. Prior to this, there has been no literature research and summary on this, which is also the innovation of this paper.

**Keywords:** sales modes; AIDA mode; DIPADA mode; IDEPA mode; FABE mode; GEM mode

## 1. Introduction

Since the development of the market economy, great changes have taken place in the way of consumption and marketing, but the only constant is that enterprises still need to train a group of professional salesmen. Whether the salesmen can fully understand and master various sales modes is the premise for successful sales. On the basis of reviewing and sorting out the existing literature, this paper makes a comparative analysis of various sales modes, and also expounds the differences in the practical application of various sales modes, and obtains more referential research results, hoping that these research results can help the majority of salesmen to achieve a higher level in their performance.

## 2. Literature review

There are not many domestic and foreign literatures on the research of sales modes, and the main research directions can be divided into the following two categories:

### 2.1 Study the essence of sales modes

This kind of research is mainly to explain what skills are used in the sales modes, what are the defects of these modes, how to innovate, and what are the differences between marketing and sales promotion. Representative studies include: the research on how to use psychological cues to improve sales skills(Qiao Xuelian and Wang Bo,2010);The research on commodity marketing strategy and its language art (Jiang Jingping,2008);The reseach on an analytical study on the techniques of successful marketing(Qian Junwei and Duan Xingxing,2018);The research on the basis of rethinking the traditional sales modes, put forward the research on the newly created "DICL" (Desire-Interest-Confidence-Loyalty) mode(Wang Yong,2011);The research about the new "TNDIPA" (Trust-Need-Deficiency- Identification-Proof-Action) mode, which is suitable for high net asset customers on the basis of analyzing the defects of the traditional sales modes(Zhong Wenhui and Yuan Baohua,2018);The research on the substantial difference between marketing and sales promotion(Liu Guangqi and Du Zhigang,2002);The research about making a comparison between marketing and sales promotion, and pointed out the advantages and disadvantages of the two in book management and application, as well as the research on complementary mode(Zhu Huaming,1997).

## 2.2 Research on the application of sales modes

This kind of research mainly includes: the specific application of sales modes in all walks of life, the application of sales modes in advertising, the application of sales modes in self promotion, the application of sales modes in teaching and the application of sales modes in love. Representative studies include: the research on the application of the sales modes in the industrial and mining loading department (Wang Fengjiang, 2010); The research on the application of sales modes in Xinxiang life insurance market (Xu Wenwen, 2010); The research on using AIDA sales mode to improve customer retention in billboard production (Fortenberry and McGoldrick, 2020); The research on Using AIDA sales mode to Improve the quality of social media marketing strategy formulation in small enterprises (Hassan et al, 2015); The research on using FABE sales mode to improve self promotion effect (Chen Haiyan, 2020); The research on promoting pre-service teachers' teaching self confidence by using GEM sales mode (Zhao Xingkui, 2014); The research on the use of AIDA sales mode to improve the quality of classroom teaching in colleges and universities (Li Dabing et al, 2010); The research on using DIPADA sales mode to improve love skills (Chen Haiyan, 2020).

## 3. Research methods

This paper mainly searches for references on "CNKI" and "Google Scholar", respectively with "sales mode", "promotion mode", "AIDA", "DIPADA", "IDEPA", "FABE", and "GEM" as the "themes", and then browse the abstracts of these papers after finding out relevant literatures. Finally, 61 Chinese and English papers closely related to this research topic were left. On the basis of intensive reading of these 61 papers, we summarized some common laws, and then made a comparative study of each sales mode to obtain the research results of this paper.

## 4. A Comparative study of sales modes

When it comes to sales promotion, the first thing most people think of must be overwhelming advertising and various promotion methods. What most people do not know, however, is that a survey shows that American companies spend only \$87.8 billion on advertising every year on average, while the average annual spending on salesmen is more than \$172 billion (Lu Jianqing, 2005). It can be seen how important it is for salesmen to master and use various sales modes.

### 4.1 Introduction to various sales modes

#### 4.1.1 AIDA mode

In 1898, E. St. Elmo Lewis first proposed a communication theory called AIDA mode, which refers to the acronyms of Attention, Interest, Desire and Action (Hassan et al, 2015). Later, Heinz M Goldman, a famous international marketing expert, quoted AIDA mode into the marketing mode in *How to Win Customers* in 1958 (Zhao Liang et al, 2016). With the accurate interpretation of the marketing steps and consumer psychology, this book has become a classic reading of marketing, and the AIDA mode has also become the first classic sales mode. According to Heinz M Goldman's interpretation, AIDA sales mode can be divided into four stages, namely: arousing consumers' attention, inducing consumers' interest, stimulating consumers' desire and facilitating consumers' transaction behavior. Its specific meaning is that as a salesperson, you should try every means to attract consumers to pay attention to your products, then induce consumers to be interested in the products you are promoting, and then stimulate consumers' desire and finally promote consumers to purchase.

#### 4.1.2 DIPADA mode

DIPADA mode is the acronym of six English words "Definition, Identification, Proof, Acceptance, Desire, Action". It is also a sales mode summarized by Heinz M Goldman based on his own marketing experience. The specific steps are as follows: (1) Find the needs of consumers; (2) Combine the needs of consumers with the products they sell; (3) To prove that the goods can meet the needs of consumers; (4) Let consumers accept the goods; (5) Stimulate consumers' purchasing desire; (6) Facilitate consumer purchases.

#### 4.1.3 IDEPA mode

IDEPA mode is a simplified form of DIPADA mode, which is also another sales mode proposed by Heinz M Goldman. It is the acronym of five English words "Identification, Demonstration, Elimination, Proof, and Acceptance". The specific steps are as follows: (1) Connect the goods with the needs of consumers; (2) Demonstrate appropriate goods to consumers; (3) Eliminate commodities that are not suitable for consumers; (4) Verify that the goods meet the needs of consumers; (5) Facilitate consumers to accept and buy the product.

#### 4.1.4 FABE mode

FABE mode is a marketing mode proposed by Professor Guo Kunmo (Dean of Business School of ZTE University, Taiwan). It is the acronym of four English words "Feature, Advantage, Benefit and Evidence". The specific steps are as follows: (1) Introduce the characteristics of the goods to consumers in detail; (2) Fully display the advantages of the goods; (3) Analyze the specific benefits that commodities can bring to consumers; (4) Demonstrate evidence that goods meet consumer needs to facilitate transactions.

#### 4.1.5 GEM mode

The GEM mode is different from the first four models that emphasize the steps of sales promotion. Its focus is to improve the sales confidence of salesmen, and then improve the sales performance. It is the acronym of three English words "Goods", "Enterprise" and "Me". It emphasizes that salesmen must: (1) Believe in the goods you sell; (2) Believe in the enterprise; (3) Believe in yourself.

## 4.2 Comparison and analysis of advantages and disadvantages of sales modes

As the first classic sales mode, AIDA mode has its own advantages. According to the psychological activity law of "attention cognition emotion behavior", it divides consumers' psychological activities into four different stages: the first step is to let consumers notice the goods; Then use various methods to attract consumers, so that consumers can further understand the goods, which is the second step; Then induce consumers to be emotionally interested in the product and have the desire to obtain the product, which is the third step; Finally, it is the fourth step to stimulate consumers to conduct transactions. This is completely in line with the laws of human cognitive behavior and psychological activities, so AIDA mode has been widely used in marketing practice since its appearance. However, this sales promotion mode also has defects, because it emphasizes how to make a deal in sales promotion, while ignoring the needs of consumers. The consequence of this is that consumers are selective about the goods. Once the goods do not meet the demand, even if consumers notice the goods, they are difficult to be interested in the goods.

Based on this, Heinz M Goldman put forward the second sales mode: DIPADA mode. The advantage of this mode is that it puts the needs of consumers first. Its first step is "Definition", that is, to "find" the customer's needs first, and then do the next step of marketing. However, the DIPADA model has six steps, which is a little complicated. In addition, the fourth step "Acceptance" and the sixth step "Action" have a sense of duplication, so Heinz M Goldman proposed the third sales mode: IDEPA mode. IDEPA mode is a simplified form of DIPADA mode, which is applicable to consumers with very clear purchase goals and intentions. When adopting this mode, it is not necessary to take pains to find the needs of consumers, but to directly remind consumers that the products being promoted meet their purchase goals and intentions. Moreover, the mode proposes to "demonstrate" the commodities, which strengthens the persuasiveness of the

commodities. Although this mode is simple, easy and efficient, it will also face the problem of selective neglect of consumption, that is, consumers will not be attracted if they think that the goods do not meet the demand.

Although the first three sales modes have their own advantages, they all have a common disadvantage, that is, they lack the steps to introduce the advantages of goods. Therefore, Professor Guo Kunmo proposed the FABE mode. This mode combines the "Feature and Advantage" of goods with the "Benefit" of consumers, and then lists the "Evidence" that the goods meet consumers' needs, so that consumers can be naturally persuaded. From the perspective of persuasiveness, this mode is undoubtedly the most persuasive. Of course, the FABE mode also has its disadvantage, that is, it does not find the needs of consumers in advance, but sells the advantages of products to consumers. In the face of consumers with clear purchase goals, if the product does not meet their needs, it is difficult to promote.

The first four sales modes are all elaborated from the perspective of how to persuade consumers to buy, but they all ignore the psychological construction of the salesperson himself. Even if the salesperson is familiar with the sales promotion mode, if he has no confidence in himself, it is difficult to successfully sell the goods. In this context, GEM mode came into being. GEM mode focuses on "three beliefs". Salesmen must believe in "products", "enterprises" and "me" to achieve great success. Judging from the strength of motivation, GEM mode is undoubtedly the most powerful. However, this is exactly the flaw of this mode: there is only incentive, no specific sales guidance, and sales promotion is water without source and wood without roots. Based on the above contents, the advantages and disadvantages of the five sales modes are summarized in Table 1.

Table 1 Comparative Analysis of Advantages and Disadvantages of Five sales Modes

sales Modes	Advantages	Disadvantages
AIDA Mode	It conforms to the laws of consumers' psychological activities and has a wide range of applications	Ignoring the needs of consumers, it is difficult to attract consumers with low demand
DIPADA Mode	Respect the needs of consumers	The program is complex and slightly repetitive
IDEPA Mode	Applicable to consumers with clear purchase goals and holds demonstration steps of using commodities	Consumers will selectively ignore promotional activities
FABE Mode	There are steps to introduce the advantages of the product, which are persuasive	Ignore the needs of consumers and promote hard
GEM Mode	It will strengthen the confidence of the salesmen, which will have a great incentive effect	No specific sales guidance

### 4.3 Comparison and analysis of sales modes in practical application

These five sales modes have their advantages and disadvantages, so their actual application scenarios are also different. AIDA mode conforms to the law of consumers' psychological activities. It puts "Attention" to attract consumers as the first step, and is more suitable for store sales and the sale of goods that are easy to carry and can attract consumers. Applicable commodity categories include daily necessities, commonly used office supplies and tourist souvenirs. The DIPADA model puts the needs of consumers first, persuades them step by step, combines the goods to be promoted with the needs of consumers, and facilitates transactions step by step. It is more suitable for face-to-face sales of intangible goods and sales facing organizations. Applicable commodities

include insurance services, labor services and means of production. IDEPA mode puts the combination of goods and consumers' needs in the first step, named "Identification". It has locked the needs of consumers and does not need to know the needs of consumers in advance. Therefore, it is more suitable for the sales of new and old customers who actively contact with promoters and the sales of intermediaries. Applicable commodity categories include: consumer goods, office supplies and means of production mainly for organizational procurement. FABE mode pays more attention to the combination of "advantage" of goods and "benefit" of consumers. It is persuasive and has a wide range of applications. It is applicable to both the sales of tangible goods and intangible services. Applicable commodities include consumer goods, office supplies, wedding etiquette, cars, real estate, etc. The GEM model is different from the first four modes that emphasize the steps of sales promotion. Its focus is to improve the confidence of the salesperson, which is applicable when the confidence of the salesperson is insufficient. Based on the above contents, the application scenarios of the five marketing modes are summarized in Table 2.

Table 2 Comparison and Analysis of Application Scenarios of Five Sales Modes

Sales Modes	Application scenario	Applicable goods
AIDA Mode	Shop sales and sales of goods that are easy to carry and can attract consumers	Consumer goods, office supplies, tourism supplies, etc
DIPADA Mode	Face to face sales of intangible goods and sales of organizational purchases	Insurance, labor services, means of production, etc
IDEPA Mode	It is applicable to the sales of new and old customers who actively contact with the promoters and the sales of middlemen	Consumer goods, office supplies, means of production, etc. focusing on organizational procurement
FABE Mode	It is applicable to the sales of both tangible goods and intangible services	Consumer goods, office supplies, wedding etiquette, cars, real estate, etc
GEM Mode	When the salesman is not confident enough	No specific requirements, all applicable

#### 4.4 Enlightenment from comparative study

As mentioned above, each sales mode has its own characteristics, advantages and disadvantages, and applicable scenarios. Therefore, salesmen need to flexibly select and apply the sales modes according to the product characteristics and application scenarios. Only in this way can they successfully sell their products. Of course, if salesmen can break and mix several sales modes, develop strengths and circumvent weaknesses, and then apply them flexibly, they will be able to create sales miracles. For example, the FABE mode is very persuasive and has a wide range of applications. However, its disadvantage is that without prior understanding of consumers' needs, it may lead to hard selling and fail to achieve the desired effect. If we can learn from the first step "Definition" of the DIPADA mode before adopting this model, first understand and find the needs of consumers, then match the products that meet the needs of consumers, and then apply the FABE model to promote, we will probably achieve ideal results.

## Conclusion

On the basis of sorting out the existing literature, this study makes a comparative analysis of the advantages and disadvantages of various marketing models, clarifies the differences in the practical

application of various sales modes, in order to help enterprises in marketing. Before this, there was no literature to study and summarize this, which is also the innovation of this study. Although this study has certain application value and innovation, it is difficult to conduct quantitative research on marketing as a complex psychological phenomenon, which is difficult to ponder and measure. This is also the inadequacy of this study. Future research suggestions can seek breakthroughs in quantitative research.

## Reference

- [1] Qiao Xuelian, Wang Bo. Research on the Application of Psychological Suggestion in Personal Selling [J]. Journal of Tianjin University (Social Science Edition), 2010, 12 (01): 24-28.
- [2] Jiang Jingping. Commodity Promotion Strategy and Language Art [J]. Mall Modernization, 2008 (31): 42-43
- [3] Qian Junwei, Duan Xingxing. Analysis of successful marketing skills [J]. Market Modernization, 2018 (05): 52-53. DOI: 10.14013/j.cnki.scxdh.2018.05.030
- [4] Wang Yong. The sales model should be built from the "heart" [J]. Jiangsu Business Review, 2011 (06): 106-108. DOI: 10.13395/j.cnki.issn.1009-0061.2011.06.035.
- [5] Zhong Wenhui, Yuan Baohua. The sales promotion model of making high net asset customers trade [J]. Western Leather, 2018, 40 (22): 60
- [6] Liu Guangqi, Du Zhigang Management Mode Marketing and Promotion [J]. Business Times, 2002 (05): 49
- [7] Zhu Huaming. Try to compare the marketing model and the overall marketing model in book management [J]. Research on Book Distribution, 1997 (01): 31-33
- [8] Wang Fengjiang. Introducing the Marketing Model into the Business Expansion [J]. Heilongjiang Science and Technology Information, 2010 (32): 9
- [9] Xu Wenwen. Research on the Marketing Model of Xinxiang Life Insurance Market [J]. Modern Business, 2010 (26): 62. DOI: 10.14097/j.cnki.5392/2010.26.200.
- [10] Fortenberry J L, McGoldrick P. Do Billboard Advertisements Drive Customer Retention?: Expanding the "AIDA" Model to "AIDAR" [J]. Journal of Advertising Research, 2020,60(2), 135-147.DOI: 10.2501/JAR-2019-003
- [11] Hassan S, Nadzim S Z A, Shiratuddin N. Strategic use of social media for small business based on the AIDA model[J]. Procedia-Social and Behavioral Sciences, 2015,172, 262-269. DOI: 10.1016/j.sbspro.2015.01.363
- [12] Chen Haiyan. Analysis of Fabi (Self promotion) Model [J]. Chinese and Foreign Entrepreneurs, 2020 (20): 251
- [13] Zhao Xingkui. Viewing Pre service Teachers' Teaching Confidence from Jim Model [J]. Teaching and Management, 2014 (24): 50-52
- [14] Li Dabing, Sun Xiangyang, Zhou Jing. Analysis on Classroom Teaching Strategies of Economic Management in Colleges and Universities Based on AIDA Model [J]. Higher Agricultural Education, 2010 (06): 66-68. DOI: 10.13,839/j.cnki.hae.2010.06.025
- [15] Chen Haiyan Analysis of DIPADA Model -- Building a framework for the relationship between DIPADA model and "love" [J]. Chinese and Foreign Entrepreneurs, 2020 (19): 250
- [16] Lu Jianqing. Personnel Promotion - New Marketing Model [J]. Shanghai Business, 2005 (11): 48-50
- [17] Zhao Liang, Jiang Xiao, Li Xiaowei, Zhang Youxiong, Huang Huan, Yan Zhongfeng Analysis on the Application of AIDA Model in Reading Promotion -- Taking the "Microphoto E-book" of Sichuan University Library as an Example [J]. Journal of University Library, 2016,34 (05): 84-88+127. DOI: 10.16603/j.issn1002-1027.2016.05.013