CHAPTER I

INTRODUCTION

I.1. Background of the Study

Many financial institutions in Bandung face tight competition in competing to win customers. I have conducted a small research in a financial institution in Bandung about the problem of sales persons’ communication skills. I am aware that most of the successful sales made are by meeting the prospective customer. In selling a product or service it is much better for the sales person to approach the prospective clients by visiting them, so there is an activity of visiting the prospective clients in marketing or sales departments. This is done in an attempt to understand the needs of the prospective clients. This can also be called the KYC process (Knowing Your Customer). In conducting KYC good communication skills are required by a sales person. I realize that the communication skills of the sales persons should be improved in order to increase the possibilities for business sales during the visiting of clients. In *The Art of Persuasion* it is said that ‘Good Effective communication brings the result we want by giving us the ability to make ourselves clearly
understood, to build strong relationships and connections with others and to successfully persuade others to support us (Erickson 2004:19).

Good effective communication includes both verbal and nonverbal language. The nonverbal language is as important as the verbal language. The nonverbal language may be in the form of body language, facial expression, and eye contact. Through the body language, facial expression and eye contact, a sales person can get the attention of the client and find out the client’s interest.

From the facts above, I wish to analyze and improve the communication skills of the sales persons at P.T. Asuransi AIA Indonesia in Bandung. P.T. Asuransi AIA Indonesia is an insurance company that is well known worldwide for its competitive products and most of whose employees are sales persons that visits the clients for business presentations. Another reason why I choose this company is because I have been in contact with the sales persons a few months before this. I carried out an interview and observation with the sales persons of P.T. Asuransi AIA Indonesia in Bandung. The sales persons deal with prospective clients and existing clients. The communication skills of the sales persons of P.T. Asuransi AIA Indonesia need to be improved, especially during visits to clients. This is why I choose this company to do my research. The research is about the communication problems which occur during visits. This research is carried out to find out how the salespersons communicate with the prospective clients and how to improve their communication skills. These two aims will be considered from the beginning of approaching prospective customer until the deal is reached.
I.2. Identification of the Case

I observed the process of recruiting a candidate to be a salesperson in P.T. Asuransi AIA Indonesia. If a candidate qualifies, training will be given. The training will be on product knowledge and the steps of the standard sales process. I noticed that the training given is still insufficient; I did not find training on how to communicate effectively to clients of different temperaments and interests. In some cases, a successful sales method that a sales person had used in the past may not necessarily work with a different client.

Knowing the standard sales process without knowing how to communicate effectively to the client would be a major problem in sales. If a sales person wants his or her client to buy the offered product, then they should be able to convince their clients by communicating effectively. As I noticed in *The Art of Persuasion* book, ‘...the other person did something because you asked them to or recommended it, or they made a decision, changed their mind, felt differently or thought about something in a different way because of what you did or said’ (Erickson, 2004:21).

I also realize that the sales persons of P.T. Asuransi AIA Indonesia still lack business skills in self-awareness and identifying of clients. Self-awareness here means the ability to discern the client’s temperament and mood. Through self-awareness and skills of identifying the clients, the sales persons could be more prepared to communicate effectively to their clients and close the deal.

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A further study convinces that if businesses and corporations don’t understand effectiveness of communication, then they often lose the deal (Erickson, 2004:20).

I.3. Objectives of the Study

I propose to analyze the problems of communication which occur during visit to client by the salespersons of P.T. Asuransi AIA Indonesia. I believe that this research would be beneficial for P.T. Asuransi AIA Indonesia and would also be beneficial for the students of English For Business Professionals who have an interest in working in sales. Therefore, I want to study this case and give suggestions to help overcome the communication problems which occur during visits to clients.

I.4. Limitation of the Study

I will discuss the communication problems experienced by the salespeople of P.T. Asuransi AIA Indonesia in the Bandung branch during visits to their clients, and how to improve communication skills when visiting clients.

I.5. Layout of the Thesis

This thesis starts with the Abstract, a concise summary of the entire paper in Indonesian. This Abstract is followed by the Preface, in which acknowledgement is given to those contributing and involved in the work. After that is the Table of Contents and the Appendices, followed by its four chapters:

Chapter I Introduction to the Study
Chapter II  Theoretical Review of basic theories or concepts related to the Case Study

Chapter III  Findings and Discussion of the study, including ways of collecting data, information or data gathered and discussion of important findings

Chapter IV  Conclusion, in which major statements are made along with some suggestions or implication for further study is mentioned

Following the Conclusion is the Bibliography, where I present alphabetically the references used for the study, then followed by Appendices