



Speech to the Bell Telephone System's General Commercial Manager's Sales Conference
June 1931

Page, A. W. (1931, June). Address. Speech presented at the Bell Telephone System's General Commercial Managers Sales Conference.

Summary

Amidst the challenges of the depression, Page admonishes the company to focus on selling and improving its reputation

His remarks at the sales conference focus on the importance of selling and the value advertising has in helping with these efforts. The company has always strategized and been informed by research about its operations. The objectives of the previous publicity conference are mentioned. The company needs to change public perceptions of the company and do a better job of explaining the value of its service in relation to its price.

Key topics

Advertising
Reputation
Public Opinion – influencing public opinion
Monopoly
Research
Sales

Page Principles

Manage for tomorrow

Address

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ADDRESS

I am going to speak a minute about advertising. We do Institutional advertising, which all the companies pay for in the license contract. For the Long Lines we do selling advertising which the Long Lines pay for direct. We also carry on two selling advertising campaigns for the Associated Companies, which are paid for in the license contract, although normally anything which produces direct revenue wouldn't come in the license contract. Those two campaigns are Telephone Convenience and Residential Toll. Because we are doing those campaigns on an unusual basis I would particularly like you all to look at them and see what their real value is. I wouldn't like to go on with them—just throwing them in the pot—unless they are producing some results and I shouldn't have any bad feeling if you should say they are not producing results enough to justify them and that we should save the money or use it some other way more advantageously. I think that one of the purposes that these campaigns originally had—to help sell the idea

to the Bell System itself—has been accomplished, so that they are not necessary for internal consumption. They may be judged now purely as selling advertising.

When I came to the telephone company there was a survey of almost everything in the System going on, a survey which produced the crystallization of the habits and practices of the Bell System into the Bell System policy, which produced the statement about personalizing the service with all the ramifications which have come out of that, the reduction in the prices of the Western Electric and the one and one-half per cent for the license contract. In other words, there was a survey going on of the major strategy of the business. That process goes right along. A part of that process was to start to train our selling forces. We began at a time when we had more business than we knew what to do with, which is a poor time to talk about training selling forces. Yet it was done because it was quite clear that that condition wouldn't last forever and while none of us were prophets enough to realize how deep the valley would be into which we were going there was no question about it that there would be a valley. In other words the major strategy of the game was that when the depression should come everyone else would take his proper place in formation and pass the ball to the commercial department for a touchdown. We are at that stage of the game now. The ball is yours. Not only that, but this phase of the game doesn't last forever.

Selling isn't an academic question. It is meant to produce results on a large scale while we are in this valley of depression. If this play comes off as planned, now is the time. The ball is in your possession.

There has been some discussion of the possibility of irritating people by over selling. I haven't been so worried about your bothering the public too much. I say that because another kind of picture remains in my mind pretty clearly from a year or two ago. A certain part of the public had an idea the Bell System was a nice, efficient old party that went along and took what business came to it and if that didn't produce enough money, it asked the public authorities to give it some more. The idea of getting some business for itself was not the solution. We were looked upon as being like the railroads or the street railways which needed a government agency to take care of them. Now, that isn't a fair statement, but there was a good deal of that impression because we did not have the same selling attitude as competitive businesses. The light and power companies made a better picture than we did because their accessory people were selling. The accessory stores were in a competitive position, selling washing machines and other electrical appliances just as hard as they could. One of the particular indictments of us inherent in peoples' minds is that we just sit by and make our living by raising the price rather than by going out after business. There is a lot of comment of that kind right now about the street railways and the railroads. People say those fellows saw automobiles invented, saw the number increase many fold and yet didn't do anything to adapt themselves to the new conditions. Fundamentally, one of the greatest things we can get out of this present situation is the reputation that the Bell System, although a monopoly, isn't the ordinary kind of monopoly and is just as alive at promoting its business as any competitive industry.

It is true the public is rather apt to think our prices are high because we haven't had a very good way of explaining them. The truth is our prices have been low and there is a commercial explanation of it. No business whose prices were very high could increase its daily calls 50 per cent between 1910 and 1920 and 100 per cent between

1920 and 1930. That is evidence in itself that prices are low because people don't buy in increasing quantities when a thing is actually too high in price. We haven't had the advantage of public recognition of those facts. That is a job that the information department is trying to do right now.

We agreed at the last publicity conference to work as hard as we could to emphasize the value of service and the cheapness of price in relation to the value. I think we can make a better job than we have of explaining to the public that the service is cheap. That will be an aid to a better job in convincing the public we want business by our selling efforts. Instead of the Bell System being an institution with no commercial reputation in the minds of the general public as far as selling is concerned, we have the possibility of building a unique reputation because there are elements in our business tremendously in our favor.

In the first place, employee selling is a thing in which we hardly have any rivals. The idea that we can obtain a large volume of business by employee selling at the cost we do would make most businesses green with envy. Our figures are very low. Moreover, we do a thing, which I have never heard of in any other commercial business. We say that the cost of selling is charged only against those things you can prove were sold. Nobody else does that. They all count the cost of selling against all the business whether it walked in, was brought in or however it got there. Not only that, but our employee selling and our special selling as discussed here yesterday are both on a very much lower basis of cost than most businesses.

We have the opportunity to make our reputation second to none in the commercial field. That will be an agreeable by-product to solving the immediate problem, which is to get more business and thereby demonstrate that we are in command of our business and can make it go, depression or no depression.