



The Yin and the Yang form a perfect whole

CHAPTER V

SALES WITHOUT SALESMEN

WHEN a new field marshal of industry arrives in Shanghai to storm the citadels of Chinese trade, one of the first things he usually thinks of doing is to organise some shock troops of Chinese salesmen and put things over in a big way with no loss of time. That is what he has done at home with great success and he does not see why the same programme cannot be carried out in China. If he has picked up any acquaintances on the boat who tell him anything about the way business is conducted in Shanghai, he will have learned that competing firms have not gone very far in the employment of this obvious aid to sales, and it appears that the door of opportunity is wide open to anyone who knows how to organise and train a sales force. A great many have come to us with the request to help them to get things started by recommending one or more good salesmen to form the nucleus of their organisation. When confronted by a request of this sort, I have always had to make the same reply, which is perfectly truthful, though often unconvincing to men who think in terms of salesmanship:

'I am sorry I can't help you, for if I knew where I could find a good Chinese salesman, I would employ him myself.'

A great deal of Chinese philosophy is based on the idea of the dual principle in nature, which they know as the *yin* and the *yang*. There is male and female, sun and moon, heat and cold and so on through innumerable combinations of complementary forces, which, in combination, form the perfect whole. The *yin* and the *yang* principle, which is as old as China itself, operates in many countries where it was never heard of and applies to situations which were undreamed of by the old Chinese philosophers. The philosophical principle is so complete and perfect and all embracing that it includes the relationship between the crust and fruit of a pie, the butter and bread of a sandwich, the whisky and soda of a drink. These commonplace comparisons have nothing to do with the philosophy and are mentioned only for the purpose of showing the universal application. For example, it is obvious that good orators could not develop without good listeners. The quality of oratory all over the world started to decline when people began to read newspapers instead of going to political meetings. This is an example of the application of the positive *yang* principle of oratory and the negative *yin* principle of auditors, the two in combination forming a perfect whole. Anthropologists might elaborate this ancient philosophical principle until one could find in it a complete explanation of the influence of environment.

America has produced the greatest race of salesmen the world has ever known because American psychology, for reasons I do not understand and will not attempt to explain, has made this development possible. Perhaps the decline in audiences turned to the more restricted field of salesmanship those whose temperaments demanded an opportunity for vocal self expression. At any rate, selling and being sold to is a great American vocation. Just as my fellow countrymen enjoy the ministrations of a barber and a bootblack, they revel in the visit of salesmen. It appears to me that a great many American business men enjoy getting settled into a comfortable chair and letting a good salesman turn himself loose on them. They appraise his technique with the eye

and the ear of a connoisseur, enjoy a good performance and are irritated by a poor one. If this is not true, then why does such a tremendous proportion of the population find profitable employment talking people into buying something that they should know, without aid from anyone, whether or not they need or want it? It has all the appearance of being a contest in which both get the keenest enjoyment. The buyer says, in effect:

'I have a whale of a lot of sales resistance this morning. Jump in and see what you can do about it.'

Then if the salesman is good enough he wins, the fountain pen is brought out and another signature goes on the dotted line. In listening to stories of sales which have been made, often told by the man who did the buying, one cannot escape the conviction that in most cases it was the technique of the salesman rather than the price or quality of the goods that was the deciding factor. It was not by mere chance that the expressive phrase 'sold a pup' crept into the English language as an Americanism.

The last time I was in America, I had a deuce of a time buying a hat and some neckties of which I was very much in need because, it appeared to me, no one would let me buy anything; they insisted on selling things to me. I remember the hat episode very well. I went into a shop in Herald Square and, in order to make my position perfectly clear in the matter, announced that I proposed to buy a hat. I did not explain that I had a rather definite idea of what I wanted in the way of head gear, for I presumed that would be taken for granted, and that, in any event, I would be consulted in the matter and my ideas given some consideration. But apparently that was not the procedure demanded by efficient business methods. The smart young man gave me a most appraising glance and, seizing a hat from the shelf, began presenting more selling points than I thought a single hat could possibly possess.

Having been away from my native land for a long time and accustomed to the complaisant and non-resistant attitude of the Chinese salesman, these aggressive tactics were new and rather

disconcerting to me; but I was determined to buy a hat instead of having one sold to me, so I said to the salesman:

'I came here to buy a hat and fully intend to do so. If you will quit trying to sell me the one you prefer and allow me to look around, I will undoubtedly find one which suits me and will buy it.'

Some look on the salesman's face must have telegraphed a signal of distress to the floor manager, for he came rushing over to inquire if he could do anything for me. I started to repeat what I had told the salesman but got no farther than:

'I came in here to buy a hat—'

'Here is our very latest model—' said the floor manager.

'Never mind,' I said. 'I don't want a hat.'

Then my wife intervened, diplomatic relations were restored and I was sold a hat. I always disliked it and was glad when it got shabby enough to justify me in giving it to a ricksha coolie in Shanghai. The only way I was ever able to buy a tie with any degree of satisfaction to myself was to spot one in a shop window and rush in and buy it before the salesman had an opportunity to say anything.

I haven't told this story in order to prove that I am a crabbed old crank (which it probably does prove to most of my readers) but to indicate that Americans are, more than any other people, receptive to salesmanship, and so come back to an explanation of why there are few, if any, Chinese salesmen in China. The reason is that they haven't the proper mental material to work on and so are as helpless and useless as a carpenter without wood or a plumber without pipes. One of the joys of dinner at a good restaurant in most places in Europe seems to be the ritual of allowing the head waiter to make up your mind what you want to eat, but I can't imagine any Chinese doing this. He knows just what he wants to eat and just what he wants to buy, or if he is dealing with something that is outside his range of experience, he will ask a friend who owns one. More than two thousand years ago, the great Chinese sage Confucius taught his fellow-countrymen

to be suspicious of eloquence of any sort, which he branded as a subtle and deceptive form of insincerity, and they are especially suspicious of any form of eloquence that is designed to part them from their money. In fact, the Master held up for special condemnation the very type of person who would qualify to-day as an ideal salesman, that is a handsome, well-dressed man with a pleasing address. He warned his disciples to beware of people of this type because they were usually unprincipled and without conscience.¹ Followers of the Master have amplified and confirmed this dictum and no one has ever said a word in defence of the salesman. The result is that the salesman follows a profession which is without honour in China. They make little distinction between the hawker and the salesman except to be more suspicious of the latter because he operates with more dangerous wiles and on a more expensive scale. It is impossible to conceive of a convention of Chinese salesmen, for everyone would be ashamed to attend it. Many Chinese employed by foreign firms would be proud of the title 'chief accountant', 'assistant cashier', or 'service manager', and would prefer any of these to the titles of 'sales manager'. There is, in fact, no such term as 'sales manager' in the Chinese language; when a translation is necessary the term 'business manager' is used instead.

If the field marshal of industry did manage to get together a crew of Chinese and train them to the point that they were letter perfect in the theory of salesmanship, he would be in the position of the young man in the popular song who got all dressed up and had nowhere to go. To be more accurate, he would be in the position of having an expensive staff of young men all dressed up with very limited places to go, because neither in business nor social life in China are strangers welcome. The house-to-house canvasser who attempted to ply his trade would be beaten before he started. The Chinese servant considers that one of his most important duties is to protect his master and mistress from

1. Confucian Analects, Book I, Chapter III: 'Fine words and an insinuating appearance are seldom associated with true virtue.'

the intrusion of strangers, whom he naturally assumes come for some evil purpose. A full explanation of the reason for the visit is necessary before one gets past the watchman at the gate, and as soon as the servant learns that it is for the purpose of selling something, his suspicions as to the evil intent are confirmed. Besides, he knows that there is no need for this particular article in his household and saves the canvasser a lot of trouble by telling him so. Then he closes the gate and the interview is ended with no sale and no encouragement to make a second call.

The portals to the executive offices of the big shop, or the business offices of other concerns, are not quite so effectively closed as are the doors to the home, but the salesman will waste so much time slipping or bribing his way through them that it is hardly worth his while to make the attempt. In the business office, as in the home, the doors are open to friends but closed to strangers, and the assistants of the proprietor or manager guard their employer from intrusion just as carefully as the servants do in his home. It is extremely difficult for an unknown Chinese to gain access to the office of another Chinese, no matter what his business may be, except through the introduction of a mutual friend. Even if he does succeed, the chances of his doing any business are very remote. It is not quite so difficult for a foreigner, but he is likely to run into barriers which are none the less real because they are invisible. It is not an unusual experience for a newly arrived foreigner to make a number of calls and spend hours in a Chinese business house trying to close some deal, only to find out eventually that the non-committal man he has been talking to is an assistant who has no authority to do anything more than talk, and has merely been shielding his superiors. But once the two parties to a deal, the salesman and the customer, are brought together by a mutual friend, the whole atmosphere is changed. The clouds of distrust and suspicion vanish and the two get down to the details of the transaction with the ease and security enjoyed by those who have been doing business together for a decade.

Very few foreigners, even including those who live in China, realise the very important part that friendship plays in all Chinese business transactions. A Chinese wants, first, to do business with members of his own family, next, with his friends, and will not have any dealings with strangers if it is possible to avoid it. If two strangers are parties to a business deal then it is absolutely essential that there be a go-between, a mutual friend who will conduct the negotiations, compose differences of opinion and, when the deal is concluded, act as joint guarantor for both parties, making himself personally responsible that the contract will be carried out and the money paid. When a Chinese whom I do not know comes to see me on business, he is almost invariably accompanied by a mutual friend who introduces him and takes part in the negotiation. Sometimes the circles of our friendship do not overlap and then it is necessary to bridge the gap by means of a mutual friend of a mutual friend, which is a little more complicated but answers the same purpose. I do exactly the same thing if I have any business to discuss with a Chinese with whom I am not personally acquainted and have no business connections. It does not matter if each is well known to the other by reputation. The friendly relationship must be established in the orthodox manner. In many ways, it is a nice, and very useful custom. Business relationships are established at once on a basis of mutual trust and confidence and, if there should be any difficulties later on, the go-between is always available to straighten them out. If you are a seller instead of a buyer it has one disadvantage when you are called upon to manifest your friendship by a reduction in price, but the wise business man knows that this request is inevitable and has prepared for it in his 'first asking price'. But this custom of doing business only with friends does not fit in with high pressure or mass salesmanship, as the salesman's contacts are limited to the number of mutual friends he can locate. This complicates the routine of selling to such an extent that it becomes impractical.

Just a few days ago I received a postal remittance for \$20 from

a retail merchant in remote Kansu, with a letter asking me to invest that amount in the toilet soap we are advertising and ship the cargo to him. Hardly a month goes by but I receive one or more requests of this sort, and I am no longer surprised to receive remittances from people I have never heard of and who, presumably, have never heard of me. What happened in the case of the Kansu dealer is typical. He read one of our advertisements and was interested in selling the soap. But as the manufacturers were unknown to him, he called on his friend the publisher of the paper, to secure an introduction. The manufacturer was also unknown to the publisher, as all his dealings regarding advertising matters were with me. So he introduces the retailer to me and I introduce him to the manufacturer. A mutual friend of a mutual friend bridges the thousand miles between Kansu and Shanghai and establishes business relationships between a small retail dealer and the biggest of British soap manufacturers. If business develops to proportions of any importance I will doubtless be asked to act as guarantor for this British firm, which lists its assets in terms of millions of pounds sterling. I have on several occasions acted as guarantor for world famous British and American companies, binding myself to meet their obligations if they should fail; but I have never said anything about it to the companies concerned for they would probably not feel very flattered.

There are, of course, a great many Chinese whose business is to turn in daily orders for goods, and who perform that function very successfully, but this is not because of their abilities as salesmen but because of their friendship and acquaintance with a number of individuals in one particular classification of dealers. In other countries, there is a theory that the volume of business a salesman turns in will depend on the number of calls he makes. If ten calls a day will produce x sales, then twenty calls a day will produce $2x$ sales. It is a favourite theory of sales managers and they can prove its correctness to everyone except some of the salesmen who have to make the calls. In China, the number

of calls a salesman makes does not have to be taken into account and he does not mention them in whatever reports he may make. Usually he makes but one call a day and that is to the tea house which serves as a sort of informal club room and meeting place for the dealers interested in the line of goods he is supposed to sell. He does not have to worry about the heat of the pavement or the weight of the sample cases, because he takes a ricksha to the tea house and, if he has any samples, they are stowed under the table where he sits to drink tea, nibble watermelon seeds, and gossip about the market with his cronies. But the volume of business he does will depend entirely on the number of friends, acquaintances, and relatives he has. Of course, he must know something about the goods he is selling, but it is not because of any abilities he has as a salesman that he enjoys any degree of success and prosperity. He might be the most successful hardware salesman in China, but would starve to death if he changed his line to soap or handkerchiefs, because he would have no friends dealing in those lines.

There are a great many export managers who, on reading this, would feel quite justified in rising up to accuse me of bearing false witness and, to prove their charge, would only need to



He takes a ricksha to the tea house

point to the record of the sales they made while on a brief visit to Shanghai. The export manager, on coming here, naturally visits the dealers, escorted by his local agent, and, in order to show the agent how things should be done, books as many orders as possible. He finds the dealers surprisingly easy to sell, and, when he leaves Shanghai, it is with the satisfaction of knowing that he has not only secured a record-breaking lot of orders, but that he has shown the local agent what can be done and has put him on his toes, which was one of the principal objects of his visit to China. The local agent does not share this happiness and satisfaction. If I am handling the advertising of the product I do not share it either. We know that the increased orders were given solely because of face. If the agent should call on a dealer with his export manager and no business resulted there would be a loss of face all round, for the agent, for the export manager and for the dealer. The agent would lose face because he introduced his superior and no business resulted. The export manager would lose face because he came all the way from New York or London to get this business and was sent away empty handed. The dealer would lose face because he did not place an order — his shop was not prosperous enough to do so. Orders are placed and so the amenities have been observed and everyone's face has been saved. But the agent knows that long before the transaction is finally closed one after another of the fat orders the export manager has secured will, for one good reason or another, be cancelled or cut down and that in the end the volume of business will probably be about the same as it would have been if the export manager had remained at home. And he also knows that it is going to be a difficult matter to explain.

It is because of this desire to confine one's business transactions to the circle of family and friends that residents of certain provinces or of certain localities within a province tend to monopolise certain lines of business. Nearly all the silk dealers in the country are Soochow men, while the tea dealers come from Anhwei. The sundry goods shops, which sell odds and ends of

foreign goods such as thermos bottles and aluminium ware are largely dominated by Cantonese, who also run most of the bakeshops of the country. Until the turn of the century practically all the banking business was done by men from Shensi, and all the scriveners came from Shaoshing.

We were once given the handling of a fair sized chewing gum campaign, and as the manufacturer thought it might be possible to teach all China this picturesque habit, we were more than usually anxious that the advertising should produce results. According to the programme which had been mapped out by the manufacturer, the distributor was to do his part by getting the gum put on sale in every possible shop in Shanghai before the advertising started, and we were to hold up the campaign until we had a favourable report from him. When the report finally came, it was too good to be convincing, for he said the gum was on sale in 90% of all potential retail outlets. We did some investigating of our own and found that his figure was just double what it should be. We also made the very interesting discovery that while the gum was on sale in every Cantonese sweetmeat shop in town, it was not on sale in any but Cantonese shops. The Chinese staff of the foreign distributor were all Cantonese and they hadn't bothered trying to sell to anyone but their fellow provincials who, of course, were the easiest to approach.