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# *Salesmen and the transformation of selling in Britain and the US in the nineteenth and early twentieth centuries*<sup>1</sup>

By ROY CHURCH

Was a ‘transformation of selling’ in the US between the 1880s and 1930 exceptional? Archives of three leading British consumer goods companies reveal that a comparable transformation in selling methods was effected through the changing role for salesmen. Unlike the explanation offered for the transformation in the US, developments in Britain cannot be explained by a structural model in which the dynamics are mass production, size, corporate structure, and strategy. Consumer theory based on product characteristics and consumer behaviour provides a superior explanation. The history of marketing by the British companies also justifies a challenge to the production-driven interpretation of business development and corporate growth.

. . . for a salesman, there is no rock bottom in life . . . he’s a man out there in the blue riding on a smile and a shoeshine . . .

Willy Loman in Arthur Miller, *Death of a salesman* (1948)

Unlike many British business elites and occupational groups, each primarily defined by its respective economic role, commercial travellers, or salesmen (defined here as those who were directly employed and salaried, rather than under contract to merchants or manufacturers as commission agents) have received little attention from historians. Historians of the industrial revolution in Britain have accorded considerable attention to selling by the small and medium-sized owner-managed enterprises typical of the period between 1750 and 1850 when typically the founder-entrepreneur or family members fulfilled all of the roles of financier, accountant, production and human resources manager, and salesman.<sup>2</sup> However, for the later nineteenth and early twentieth centuries, neither salesmanship nor

<sup>1</sup> This article is based partly on research resulting from a project funded by the Leverhulme Trust (F/204/R, 1997–2000) which focused on the archives of Reckitt & Sons and Lever Brothers, access to which was granted by Reckitt & Colman, forerunner of Reckitt Benckiser plc., and by Lever Faberge and Unilever Historical Archives, and of Van den Berg Foods. I am indebted to these organisations. I am also pleased to acknowledge the assistance of Dr Christine Clark who was research associate for the project. The other body of archival research contributing to this article is due to the generosity of the Wellcome Trust which funded a history of Burroughs Wellcome & Co. (WT 059035, 2000–2005). I am grateful to Dr E. M. Tansey for sharing her knowledge of the Wellcome archives. In its various versions, the article has benefited from discussion by participants in seminars, workshops and conferences held in the Universities of Cambridge, Leeds, LSE, and Reading, at the international conference of business historians in Barcelona in 2004, and at the ABH/Chord conference in Wolverhampton in 2007. The anonymous referees involved in the editorial process also deserve my gratitude for constructive suggestions, not least for encouraging an extension of the application of consumer theory employed to explain selling in Britain to the US.

<sup>2</sup> Wilson, ‘Entrepreneur’.

salesmen have attracted systematic attention from scholars comparable to that devoted to inventors, engineers, accountants, and managers—or even with respect to the history of marketing, to pedlars, bagmen, commission agents, and retail shopkeepers.<sup>3</sup> Salesmanship, or specifically sales performance overseas by British businesses, assumed centre stage in a scholarly debate (which remains unresolved) during the 1970s and 1980s, when economic historians sought the causes of an alleged economic failure of the British economy during the late nineteenth and early twentieth centuries.<sup>4</sup> Subsequent analysis and redefinition of the nature of economic ‘failure’ has since rendered such a debate redundant. It remains the case, however, that the selling of goods and services overseas, for which agencies were the dominant intermediaries, has received much more attention than selling in domestic markets. However, other than business biographies, studies of salesmen in Britain have focused primarily on social and cultural aspects of their history.<sup>5</sup>

Illumination of the history of salesmen and salesmanship by economic and business historians has resulted from the attention they have received in the histories of regions, industries, or individual firms. With few exceptions, although relatively limited in the amount of attention salesmen have received in such studies, they have provided important, if episodic, evidence which points to the considerable value which some of the most successful employers attached to the role of commercial travellers. Case studies of British businesses have provided valuable evidence.<sup>6</sup> Nonetheless, the single case study is a method which rarely leads to generalization, certainly not to ‘all-encompassing generalizations’ regarding the history of marketing that Corley called for in 1987 and again in 1993.<sup>7</sup> His pleas, reinforced in an Anglo-American context in 1999, have yet to be heeded with respect to selling and salesmen.<sup>8</sup> Even the most basic questions required to attempt such generalizations at the sectoral and national level remain a challenge. For example, within markets and year to year, what did salesmen do? To what extent were their activities independently determined or monitored and controlled by employers? Did their roles, responsibilities, and relations to managers and owners change? If so, how, when, in which sectors, and why?

## I

Hitherto, scholars have shown greater interest in the social and cultural history of salesmen than in their role in business. Hosgood’s examination of lower-middle-class culture in Victorian and Edwardian England has included a study of ‘the knights of the road’, analysing the culture of the commercial room in the hotels where travellers stayed.<sup>9</sup> French has explored their careers and culture; his study was based on the histories of McVitie’s, the biscuit manufacturers, and Coats, the large cotton spinning company, though most of the evidence relates to the experience of

<sup>3</sup> Church, ‘New perspectives’.

<sup>4</sup> Nicholas, ‘Overseas marketing’; Chapman, *Merchant enterprise*, pp. 287–318.

<sup>5</sup> See below, section I.

<sup>6</sup> See the references to case studies in Church, ‘New perspectives’, p. 407, n. 8. See also Fitzgerald, *Rowntree and the marketing revolution*; Godley, ‘Selling the sewing machine’; Kim, ‘J & P Coats’; Popp, ‘Barriers to innovation’; and Mathew, *Keiller’s of Dundee*.

<sup>7</sup> Corley, ‘Marketing in Britain’, p. 65.

<sup>8</sup> Church, ‘New perspectives’, pp. 405–35.

<sup>9</sup> Hosgood, ‘Knights of the road’.

these two Scottish firms during the interwar years.<sup>10</sup> In contrast to the relative neglect of salesmen in Britain, the study of American salesmen is much more advanced, though again it has resulted mainly from initiatives shown by scholars more interested in social and cultural rather than economic and business history.<sup>11</sup> The most important of these is Spears's study which he described as an ethnographic view of the marketplace, highlighting the American salesman's historically shifting role in commercial culture.<sup>12</sup> Spears explicitly emphasized his disinterest in sales organizations, company records, and developing markets; a standpoint reflected in the sources he used, which were limited to professional, observational, and contemporary fiction drawn mainly from the early twentieth century.

Despite Spears's disclaimer regarding the salesman's economic role, however, his research throws light on relations between American salesmen and employers and consequently, indirectly upon their business activities and will be referred to below. The conclusions drawn by Hosgood and Spears relating to self-perceptions among British and American salesmen differ sharply. Challenging the views of both contemporary observers and other historians, Hosgood rejected the assumption that salesmen in Britain formed part of a largely culturally and undifferentiated lower middle class which lacked aspiration. He concluded that they shared neither 'derivative nor peripheral' characteristics compared with other occupational groups hitherto similarly characterized by historians as belonging to the lower middle class.<sup>13</sup> He argued that commercial travellers in England during the late Victorian and Edwardian period should be associated with 'a rhetoric of independence' that emerged from a higher self-esteem, contrasting with the disillusionment found to have existed among the rest of the lower middle class.<sup>14</sup> Spears drew a contrasting conclusion regarding American salesmen. He identified a process, beginning roughly in 1900, coinciding with what he perceived as developments, the introduction of more systematic organization of selling methods by large companies and the adoption of principles of scientific salesmanship directed towards efficiency and accountability. One result was 'pressure imposed on the salesman to subordinate himself to the objectives of his employer and the needs of customers, changing the relationships with employers'. As a result, the salesman 'felt the disciplining limits of the market even as he pursued liberating opportunities'.<sup>15</sup>

Similarly, French has suggested that the income and career prospects of salesmen in Britain in the late nineteenth century, which placed them securely within a self-confident middle class, were increasingly eroded after 1914.<sup>16</sup> A consequent threat to their status was met by attempts to strengthen cultures of fraternity and intensified efforts to obtain professionalization.<sup>17</sup> Both Spears and French related changes in experience, status, and self-perception to changing economic environments, although, unlike Spears, French did not relate those developments specifically to a transformation in corporate structure. Spears's synoptic interpretation of

<sup>10</sup> French, 'Commercials, careers, and culture'.

<sup>11</sup> American salesmen also receive some attention from Laird, *Advertising progress*.

<sup>12</sup> Spears, *100 years on the road*, p. xii.

<sup>13</sup> Hosgood, 'Knights of the road', p. 544.

<sup>14</sup> *Ibid.*

<sup>15</sup> Spears, *100 years on the road*, p. 221.

<sup>16</sup> French, 'Commercials, careers, and culture', pp. 353–5.

<sup>17</sup> *Ibid.*, pp. 375–6.

the fate of the salesman in early twentieth-century America is consistent with Friedman's recent account of a transformation of selling in that country in *Birth of a salesman. The transformation of selling in America*, which was published in 2004 and contains important empirically-based descriptions of the process. His study adopted the perspective of economic and business history, employing an essentially Chandlerian analytical framework linking size, scale, structure, scope, and strategy and organization to explain patterns of the historical development of business.<sup>18</sup>

Consistent conclusions from these two perspectives give the American model of the history of salesman a cogency (though not beyond challenge) which the history of salesmen in Britain lacks.<sup>19</sup> For however plausibly Hosgood's conclusions derived from the literary sources he cites, they cannot be supported from comparable systematic research on the economic role of salesmen in Britain based on business archives because no such study exists. It might be inferred from Hosgood's assertion that British commercial travellers did not appear to experience pressure before 1914 and also that the systematization of selling with an emphasis on efficiency, accountability, and organization as in the American model did not occur in Britain. The plausibility of such an interpretation as applied to selling in Britain is explored further in this article, though initially its primary objective was to analyse the economic role of salesmen and the evolving selling strategies of British companies in the home market for consumer goods. The method conceived was to use new archival research to describe, narrate, and set the empirical findings into a theoretical context provided by the relevant literature dealing with the economics of consumption and information theory. However, the timely publication of Friedman's important book, in which he combined primary research with synthesis, advanced a strong hypothesis and prompted a wider perspective in which to examine the British experience. He identified a transformation of selling as having occurred in the US between 1880 and 1930 and explained the consequent changing role of American salesmen by employing the structural model emphasizing size, scale, and corporate strategy.

This aim of this article is less ambitious. It focuses primarily on the selling of branded, packaged consumer goods, a sector of increasing importance and one of the most successful parts of the British economy in this period, and one which also figures prominently in evidence presented in the American study. Section III reviews briefly the relevant changes in the system of distribution in Britain during the nineteenth century. New research into selling and salesmen in Britain presented in sections III to V reveals a pattern and a generalization which requires explanation. Section VI analyses this pattern by testing the characteristics and explanation of the British experience against Friedman's hypothesis regarding the American selling transformation, and by employing concepts derived from consumer theory which are shown to offer a more convincing interpretation of developments in Britain than a structural analysis. From a British perspective, section VII compares the selling transformations in Britain with those in the US. Section VIII (which is based on secondary sources) examines relevant developments in the American distributive system, and section IX concludes with a brief

<sup>18</sup> Friedman, *Birth of a salesman*.

<sup>19</sup> See below, section VI.

case study of the American pharmaceutical industry. Sections VIII and IX provide the basis for questioning the validity of the structural model to explain a transformation of selling in the US.

Friedman's detailed narrative presents the evolution of a 'modern' approach to selling. This involved the development of a changing role for salesmen who, as a result, made a major contribution to the transformation of the American economy during the decades 'around the turn of the century'.<sup>20</sup> According to his thesis, the development of the sales function was a consequence of the marketing policies adopted by emerging large-scale manufacturing organizations based on the science of mass production.<sup>21</sup> The merger waves of the 1890s and 1900s were especially associated with these developments. Friedman argues that in the US 'mass producers . . . devoted the most attention to standardising methods of selling and techniques of sales management'.<sup>22</sup> The new business organizations of the late nineteenth century practising mass manufacturing had called for a different approach: 'one that made selling more of a science combining production and distribution . . .'.<sup>23</sup> The emergence of strong sales departments in large firms he appears to attribute to a problem of excess capacity: 'Firms that produced in high volume also had to sell in high volume'.<sup>24</sup> Thus, large-scale mass production is seen to have been a prerequisite for the development of a 'modern' system of selling. He also maintains that the 'the imposition of managerial systems' by mass producers heralded the introduction of 'modern sales techniques and procedures'.<sup>25</sup> These consisted of route planning for sales representatives and the assignment of specific territories, evaluation of customers before a salesman's departure, salesmen's reports on visits, the allocation of monthly quotas, and the issuance of detailed instructions for salesmen on how to sell, thereby creating a codified method of salesmanship that could be incorporated into a systematic training programme.<sup>26</sup> These aspects may be regarded as the test of 'modern' techniques and procedures. Friedman's analysis provides the background and criteria against which the role of commercial travellers and their place in the development of marketing consumer goods in Britain may be tested. Such an exercise assumes particular relevance in the context of his remark that the experience of nations in Europe showed that 'none created organised sales forces to the same degree as did the United States'.<sup>27</sup> This observation does not, however, distinguish between extent and method, an important distinction which warrants further reflection on the definition of a modern selling system and more detailed empirical analysis of the process which Friedman describes

The evidence employed in this article consists of the histories of three British firms which became leaders in the manufacture of a range of non-durable consumer goods: Isaac Reckitt & Sons, Lever Brothers, and Burroughs Wellcome & Co. The questions posed in relation to the histories of these firms are as follows:

<sup>20</sup> Friedman, *Birth of a salesman*, p. 5.

<sup>21</sup> *Ibid.*, pp. 5–9.

<sup>22</sup> *Ibid.*, p. 9.

<sup>23</sup> *Ibid.*, p. 86.

<sup>24</sup> *Ibid.*, p. 89.

<sup>25</sup> *Ibid.*, p. 5.

<sup>26</sup> *Ibid.*, p. 5.

<sup>27</sup> *Ibid.*, p. 4.

How far does the role fulfilled by their salesmen fit Friedman's interpretation of the 'birth of the salesman' in the US? Were innovations in selling explicable in terms of mass production and corporate strategies or the entrepreneurial vigour of individual owners and managers? Is it possible to discern a pattern relating types of product and their market characteristics to methods of selling to consumers? Conclusions are presented offering an alternative account and interpretation of the British experience followed, in interrogative mode, by a brief and tentative exploration of possible implications for the robustness of the American model and the plausibility of an alternative explanation.

## II

Characteristics of the development of the system of distribution of branded, packaged consumer goods in the home market during the nineteenth century is best appreciated in the context of a brief survey of the wider history of distribution about which there is consensus. The transition from a distributive system in which agencies were the channels of distribution to that of directly employed travelling salesmen was a protracted process throughout the nineteenth century, especially in those trades and industries in which, for a time, agents limited their selling activity exclusively to a single supplier. The process was blurred further by the practice adopted by some firms which both retained agents on contract and at the same time employed travellers. At the outset, a traditional wholesaling system existed in which the warehouse was the central institution and the key figures were the merchant or factor, the warehouseman, and the bagman travelling the roads and later the railways. Some of the large wholesale employers employed commercial travellers, but unlike the travellers employed later by manufacturers, they represented merchants or dealers, who typically handled a wide variety of goods supplied by several producers whose products were sometimes in competition in the same markets.

The travellers' principal activities consisted of seeking orders by showing samples, collecting payment, and sometimes deciding on credit terms. During the third quarter of the century, the system functioned in the textile, hardware, pottery, jewellery, rubber, tinsplate, and ready-made footwear trades.<sup>28</sup> With the exception of textiles, from the mid-nineteenth century the agency system began to curtail the operations of merchants, dealers, and factors where the wholesaler continued to dominate trade.<sup>29</sup> The system brought the manufacturer and the retailer closer together by limiting trading operations to a smaller range of goods and to specialization in categories of trade, even of products sold on a commission basis agreed with the manufacturer. The advantages of the agency system, in which agents sold products on commission, are well known.<sup>30</sup> By minimizing direct selling costs until after sales were made, agencies were especially attractive to start-up and other small firms. Established wholesaling agents possessed trade

<sup>28</sup> Chapman, *Merchant enterprise*, ch. 6; Sigsworth, *Black Dyke Mills*, pp. 345–8; Allen, *Industrial development*, pp. 151–72, 344–54; Gale, *Boulton, Watt, and the Soho undertakings*, pp. 2–5; Sutton, 'Marketing of ready-made footwear', pp. 93–113; Payne, *Rubber and railways*, pp. 72–83; Elsas, *Iron in the making*, pp. 105–47; Minchinton, *British tinsplate industry*, pp. 18–19, 29–30, 148–152; Popp, 'Barriers to innovation', pp. 20–35.

<sup>29</sup> Clapham, *Economic history*, vol. II, pp. 306–7.

<sup>30</sup> For a detailed analysis, see Payne, *Rubber and railways*, pp. 72–83. See also Buck, *Development*, pp. 141–50.

Table 1. *Selected sales occupations in England and Wales, 1871–1911*

	<i>Commercial travellers</i>	<i>Agents and factors</i>	<i>Commercial clerks</i>	<i>Warehousemen</i>
1871	20,730	23,853	104,969	49,562
1881	40,271	34,512	208,116	35,198
1891	49,868	40,531	284,097	32,220
1901	74,964	46,819	402,184	19,983
1911	98,428	49,255	546,939	13,834

Source: *Census of England and Wales, 1871–1911*, occupation tabs.

connections which travellers would find difficult to build up quickly without the necessary introductions. As commission agents were dependent on sales for their remuneration, commission provided an incentive to approach the market aggressively. Trading through an agency avoided the overhead costs of an office staffed by clerks necessary for managers to plan, monitor, and control travellers' activities.

One of the most detailed accounts of the advantages of trade conducted through an agency has been recorded by Payne in the trade in rubber mechanicals.<sup>31</sup> These, however, were intermediate products which depended on the unambiguous testing of function, unaffected by packaging or presentation. Popp has presented a contrasting picture in the pottery trade which reveals the weaknesses of the agency system.<sup>32</sup> These included the wholesaling merchants' preoccupation with prices and delivery and a lack of concern with details of design and the appearance of pottery products supplied by individual manufacturers. He concluded that the system offered low transaction costs but inferior quality of information on markets, competition, and consumers. From the standpoint of a manufacturer, the most effective agent was one handling a single commission. This was an arrangement which offered low financial risk and the advantage of the agent's connections.

Ultimately, however, market-specific knowledge was best gained through exclusive arrangements with an agent.<sup>33</sup> The activities of an exclusive agency resembled direct selling by commercial travellers. Evidence that manufacturers increasingly acknowledged this, particularly the larger manufacturers who could meet the overhead costs of office and administration that a traveller force involved, was presented to the Royal Commission on the Depression in Trade and Industry in 1886:

The tendency is for the consumer to go more direct. We [warehousemen] at one time used to be the channel through which everybody had to obtain their goods, but now . . . the tendency is for the manufacturer to go more direct to the consumer; and a great many large retail concerns that used to be obliged to get their goods from us, now go direct to the manufacturer.<sup>34</sup>

Census figures suggest that from the 1870s, the number of warehousemen fell at the same time as the agency system expanded. Commercial travellers increased at a greater rate, as did commercial clerks (see table 1).

<sup>31</sup> Payne, *Rubber and railways*, pp. 72–7.

<sup>32</sup> Popp, 'Barriers to innovation', pp. 27–35.

<sup>33</sup> Nicholas, 'Agency contracts', p. 685.

<sup>34</sup> *Royal Commission on the Depression in Trade and Industry*, second report (P. P. 1886, XXI), Q4070, app., p. 138, evidence of G. Gribble, Messrs Cook & Co.

The best evidence available on distribution in the period provides examples of effective agency (for intermediate goods) and unsatisfactory agency (for consumer goods). This raises the issue of whether an attempt to relate different types of products to optimal modes of distribution can help to answer such questions as: Why did the wholesale and agency systems survive longer in some trades than in others? Why did manufacturers producing certain products abandon the wholesalers, factors, and agents and employ travelling salesmen? Did the salesmanship function change during the second half of the century? Is it significant that the strongholds of the wholesaling and agency systems after 1870 were mainly the traditional sectors of industry dominated by apparel, metal, and jewellery trades? This paper focuses on trades which moved closest to consumers in the selling process and in which manufacturers were among the first to employ travellers.

### III

Among the three firms chosen for detailed analysis, the first (as the longest established business) is Reckitt & Sons, which by the mid-nineteenth century produced starch and polishes. The firm originated in the early nineteenth century and in 1868 employed fewer than 300 workers—possibly twice that figure by the time it was incorporated as a public company in 1888.<sup>35</sup> Second is Lever Bros, which had developed from William Lever's father's retail trade in the 1870s and which was soon to become a small soap manufacturing enterprise.<sup>36</sup> The third is Burroughs Wellcome & Co. (hereafter BW&Co.), a partnership formed in 1880 to sell drugs and toiletries but which soon produced dietary foods as well. When the company introduced manufacturing across its entire range of products in 1882, it employed fewer than 100 workers, rising to 228 in 1890.<sup>37</sup> Measured by numbers employed, all remained small-to-medium-sized firms until after 1900, when all achieved rapid growth in production and sales. In 1907, Lever Bros employed 4,700, compared with 3,025 employed by the Reckitts in 1909. By 1913, the two companies employed respectively 5,339 and over 6,000, numbers which placed them among the largest 100 manufacturing companies in Britain. By 1913, BW&Co. employed 1,300 workers in 1905 and possibly more than 2,000 by 1913.<sup>38</sup> Although it remained well outside the largest 100 manufacturing firms, by 1914 the company had become the largest pharmaceutical manufacturer in Britain.

In concentrating on evidence based on the histories of three particularly innovative firms, it is not intended to claim that each created a demand for products entirely independent of the social, cultural, and economic factors which influenced consumer behaviour. The demand for cleaning products produced by Reckitt & Sons and Lever Bros owed something to the increasing concern stimulated by the growing public health movement and to the greater attention paid to personal and household hygiene.<sup>39</sup> Simultaneously, a growing scientific and popular interest in the alleviation of illness and the promotion of health was the favourable social and

<sup>35</sup> Reckitt, *History of Reckitt & Sons*, pp. 98–9.

<sup>36</sup> Wilson, *History of Unilever*, vol. 1, pp. 30–4.

<sup>37</sup> Church and Tansey, *Burroughs Wellcome & Co.*, tab. 3.1, p. 91.

<sup>38</sup> *Ibid.*

<sup>39</sup> Wilson, *History of Unilever*, vol. 1, ch. 1.

cultural context in which BW&Co. began trading.<sup>40</sup> However, a more important factor affecting the market was a rise in incomes in Britain, an increasing proportion of which was spent on health preparations.<sup>41</sup> In addition to growing incomes, a broad spectrum of the lower middle and upper working classes aspired to a respectability which embraced cleanliness in personal appearance and a rising demand for soap, starch and washing blue, and polish for boots and shoes. Cleanliness in the home required blacking for stoves, while the external appearance of the home could be maintained by ensuring doorsteps remained highly polished too.<sup>42</sup> The owner-managers of each of the companies, however, regarded their essential role as that of 'creating a demand' which, although it may not have affected the total sales of cleaning or health products immediately, was intended to secure a larger proportion of the trade in certain items.

It is not possible conceptually to define a boundary between the role and contribution of salesmanship and other forms of marketing strategies, notably branding and advertising. However, decisions regarding branding and advertising were employed by partners or directors and managers with the intention of enhancing the salesman's effectiveness in promoting products. A turning point occurred when packaging and branding, conducive to systematic and sustained advertising, were introduced. From the 1840s, the selling of packaged and branded groceries and washing materials began to affect relationships between sellers and consumers which had implications for the role of the commercial traveller. This was implicit in a letter written by Isaac Reckitt in 1851 to J. J. Cousin, a Liverpool agent selling flour, who had applied to Isaac Reckitt & Son to become a commercial traveller:

We would point out that the trade you have been engaged in does not give you any experience in the sale of our goods but rather the reverse, as although you may know something of the grocery trade and competition, yet it requires so much more persuasion and talking to sell starches, blues, and black leads than it does to sell flour, that we are not sure that one would not somewhat unfit you for the other.<sup>43</sup>

This was a perceptive observation which is consistent with twentieth-century economists' analyses of relationships between information and advertising and which, we shall argue, can be extended to analyse the rise and changing role of commercial travellers in the nineteenth century.

Early in the history of the firm, the Reckitts decided that commission agents were expensive and ineffective in 'winning the retailers over'. Partly because of the cost of hiring from outside the family, the risk of embezzlement by strangers, and the problem of exercising control, the first three travellers to go on the road were all members of the Reckitt family, their youth occasioning soul-searching among the Quaker partners. The risks involved were underlined some years later in connection with a young applicant to whose referee, the manager Thomas Ferens, replied: 'I fear he is too young to send away from home unless he is prematurely

<sup>40</sup> Church and Clark, 'Cleanliness next to godliness', pp. 27–41.

<sup>41</sup> Chapman, *Jesse Boot*, pp. 21–3.

<sup>42</sup> Church and Clark, 'Product development', pp. 503–9.

<sup>43</sup> Reckitt & Colman Archives (hereafter R&CA) 9, private copying book, Isaac Reckitt & Son to J. J. Cousin, 26 Sept. 1878, unpaginated. The archives were located at the company's Dansom Lane factory in Hull. Since the research was completed, Reckitt & Colman has become part of Reckitt Bentsickler plc.

“old”. There are too many temptations on the road’.<sup>44</sup> For a time, the Reckitts employed commission agents who dealt exclusively with the firm’s goods on *del credere* terms, which made the agent personally responsible for all debts. Commission levels were between 10 and 15 per cent on the prices of goods fixed by the partners.<sup>45</sup> When the partners switched from commission agents to salaried travellers recruited from outside the family they also introduced financial security guarantees. On appointment, each traveller was required to lodge a deposit of between £100 and £200, which in several cases was put up by a family member or by the Guardian or Provident Clerks’ Society.<sup>46</sup> Security guarantees were important because of risks originating from two sources: the travellers themselves and customers. When Barber was engaged to develop new ideas to break into the London market in the 1850s, he was told that great care should be taken in opening new accounts: ‘Do not let their anxiety to sell induce thee to push with unsound money, better to send fewer orders and safe . . . for the former will sure to end in loss and disappointment to both thee and thyself. Unsafe men always order heavily’.<sup>47</sup> Travellers’ misappropriations involved the submission of false orders, selling stock under price, leaving lodgings in debt, and falsely charging for rent. The recruitment of travellers who could be trusted, therefore, was of prime importance. Most recruited from outside the family were known to the Reckitts through customers or the widespread Quaker network to which the Reckitts belonged. Several possessed a commercial background or experience.<sup>48</sup>

The capacities and qualities sought in travellers remained consistent: energy, perseverance, respectability, ‘a gentlemanly style and address’, and no eccentricities.<sup>49</sup> Applicants’ referees were asked whether the aspirant was ‘strictly honourable, sober, and of good moral character’.<sup>50</sup> Those either suspected or known to have been consumers of excessive alcohol were required to take ‘the pledge’ before being accepted, or should they be re-engaged, it would only be on a commission basis.<sup>51</sup> A high turnover of travelling staff was undesirable in two respects: the interruption of the regular pattern of three to four monthly visits to retailers by the traveller in whose territory they were located, and the knowledge of the business of the company and trading connections which departing travellers took with them. The second was potentially the more important and explains why each salesman was required to sign a contract including an undertaking: ‘After quitting Reckitt’s employment to refuse for twelve months to enter into the service of any person whatsoever carrying on the trade . . . in Great Britain and Ireland’. The penalty for breaking this promise was £100. Such agreements were still in use in 1910.<sup>52</sup>

What did travellers do? When the Reckitts first entered the market, urbanization and industrialization had resulted in the development of a network of retailing

<sup>44</sup> R&CA 290, Ferrens copy letter book, to Francis Reckitt, 3 April 1891.

<sup>45</sup> R&CA 289, Isaac Reckitt’s letter book, 27 Jan. 1852.

<sup>46</sup> R&CA 353, 31 Dec. 1859.

<sup>47</sup> R&CA 289, Isaac Reckitt’s letter book, to Barber, 31 Jan. 1852.

<sup>48</sup> R&CA 71, Ferrens personal appointments book, 1878–85.

<sup>49</sup> R&CA 289, 1 Nov. 1852; R&CA 71, personal appointments book, 1878–85.

<sup>50</sup> R&CA 9, private copying book, Isaac Reckitt & Sons, 8 Nov. 1877.

<sup>51</sup> R&CA 8, copying book, Isaac Reckitt to George Baker, 14 Nov. 1872, 21 Nov. 1872, 25 Nov. 1872; R&CA 290, Ferrens copy letter book, Francis Reckitt to Ferrens, 8 June 1872; R&CA 15, Ferrens to Buckland, 1 June 1882.

<sup>52</sup> R&CA 353, 31 Dec. 1859; R&CA 213, 3 March 1910.

grocers in the large industrial districts as well as in London and in country towns. Improvements in road and rail communications, followed by railways, also contributed to a growth in the number of fixed shops at a rate faster rather than that of population growth. The resulting retailing density facilitated manufacturers' direct access to potential buyers without the need for intermediary agencies.<sup>53</sup> Until the 1870s, commercial travellers were responsible for visiting retailers to take orders from existing customers or calling upon new customers to introduce products. They collected debts, an important activity especially for a small firm struggling with liquidity.<sup>54</sup> In the absence of credit agencies, another important role was the assessment of the creditworthiness of retailers. The incentive to travellers to push goods was a guaranteed salary, travel expenses, and allowances for lodgings or hotel accommodation, plus commission. Salaries were based on historic levels of sales, or, in new areas, on partners' perceptions of what constituted a reasonable level of sales (and level of commission attainable) in the light of population size and the balance in the market between middle and working classes and the poor. Commission levels typically varying from 5 to 15 per cent differed from one product to another and were fixed according to the company's priorities in pushing or the difficulties in selling the range of items on offer. Annual earnings ranged between £200 and £800.<sup>55</sup> Charles Wilson described commercial travellers as the aristocrats among business workers in Victorian Britain.<sup>56</sup> At least, with respect to those whose incomes were towards the higher end of the range, commercial travellers could be described as middling middle class.<sup>57</sup>

During the second half of the century, a gradual extension of travellers' functions heralded a later division of labour within the sales force. This process originated from George Reckitt's 'missionary plan', prompted by his own experience on the road when he found retailers to be insufficiently receptive to new products. By combining sustained advertising with visits by travellers, not only to retailers but also to washerwomen and housekeepers, his intention was to 'force the shopkeepers to [order] for we shall talk over his customer . . . and he must then get it or let people go elsewhere'.<sup>58</sup> Two decades later, in an environment of increasing competition, the development of new products, and product differentiation, the 'missionary plan' was put in place. The occasion was the launch in 1870 of Paris Blue, a high-quality clothes whitener, samples of which were distributed to laundresses. Because two doses of indigo were necessary to achieve the result of one dose of Paris Blue (at twice the cost), laundresses were urged to use the new product to compare effectiveness and value.<sup>59</sup> A first print run of 200,000 washing books (compact manuals of laundry practice and household management) accompanied samples distributed to retailers and selected laundries. They proved so popular that Reckitt's travellers sold the books at a profit.<sup>60</sup> An enlarged edition

<sup>53</sup> Jefferys, *Retail trading*, pp. 14–16; Alexander, *Retailing in the industrial revolution*, pp. 231–8; Shaw, 'Study of retail development', pp. 1–22.

<sup>54</sup> Church and Clark, 'Marketing of branded packaged goods', p. 102.

<sup>55</sup> R&CA 8, 6 Nov. 1872; R&CA 9, private copying book, Isaac Reckitt & Sons, Isaac Reckitt to J. Archer, 3 July 1877, 9 Aug. 1879, 11 March 1879.

<sup>56</sup> Wilson, *History of Unilever*, vol. 1, pp. 22–3.

<sup>57</sup> Hosgood, 'Knights of the road'.

<sup>58</sup> Basil Reckitt family papers (in private ownership), vol. II, George to Isaac Reckitt, 2 Feb. 1850.

<sup>59</sup> R&CA 8, copying book, Isaac to George Reckitt, 5 Dec. 1872.

<sup>60</sup> *Ibid.*, Isaac to George, 22 Feb. 1873.

was printed in 1873 and was followed by *A grocer's handbook*. For the purpose of advertising, contracts were aimed at securing space on one-quarter of all omnibuses and carts in London for displaying enamelled advertisements. Outside London, a bill posting policy secured exposure on every billboard in the country.<sup>61</sup> Both were part of the Reckitts' philosophy 'to constantly keep our name before both the consumers and dealers'.<sup>62</sup>

Sampling and house-to-house visiting necessitated an expansion of the travelling staff. Whereas introducing products either to householders or laundresses or to the small retailers in smaller towns which the partners were now beginning to reach required a degree of salesmanship, the distribution of samples was an unskilled task. The solution was to create a sub-traveller status called an introducer. Introdurers' work, described as of a secondary character, was to distribute samples from house to house, calling on laundries to demonstrate the use of one of the company's products, either starch, washing blue, or black lead polish. Introdurers were also required to call on shops in areas where the company's products were not being sold.<sup>63</sup> 'Special travellers' were another group within the sub-traveller category whose task was to distribute show-cards to small shops and to distribute samples to consumers. Repeat orders from these small shops were to sustain sales without the repetition and cost of the one-off sample distribution. Assistant travellers fell into the same sub-traveller category, but were the result of the initiative taken by senior travellers responsible for trade with the principal retailers in London and urban districts in the regions, although their duties also overlapped with those of introdurers. In 1879, the Birmingham representative persuaded the Reckitts that he should be permitted to employ an assistant because of the heavy demands on his time in servicing already loyal retailers. Under the new agreement, the assistant was to spend between half and two-thirds of his time on the regular trade. His payment was £100 plus travel expenses deducted from the Birmingham representative, Payne's commission on the orders secured by the assistant. A supplementary payment was to be made by the company for the time occupied in advertising, by issuing circulars and other matter and house-to-house visiting.<sup>64</sup> Office managers, however, insisted on controlling the sub-travellers, even though most of their remuneration came from the traveller. When one traveller hired and subsequently fired an assistant without informing the management, he was reminded that 'several of our representatives have had curates whom they have paid out of commission but they have always been our servants'.<sup>65</sup> The further development of this trend towards a division of the salesmanship function is illustrated by the situation in the West Riding district in 1900 where, under the management of the senior traveller, seven introdurers worked in his area, spending an evening each week with him to discuss their orders and to receive encouragement.<sup>66</sup>

When new products were launched, introdurers were deployed in large numbers. They were referred to as gangs, each typically consisting of several 'smart

<sup>61</sup> *Ibid.*, 24 Oct. 1872, 13 March 1873.

<sup>62</sup> R&CA 14, copying book, Isaac Reckitt & Sons, 17 Nov. 1887.

<sup>63</sup> R&CA 9, private copying book, Isaac Reckitt & Sons, 12 Feb. 1879, 9 Aug. 1879.

<sup>64</sup> *Ibid.*, 12 Feb. 1879, 9 Aug. 1879, 11 March 1879.

<sup>65</sup> R&CA 293, letter book special, private, 17 Jan. 1902.

<sup>66</sup> R&CA 141, board meeting minute book; R&CA 292, Ferens to Elsworth, 5 May 1900.

bright boys' supervised by a 'tried man' as inspector.<sup>67</sup> In 1890, in the case of the launch of Zebra grate polish, Sheffield, Bradford, and Leeds were the first to be targeted for the distribution of samples to the best houses in residential districts. Working-class houses were issued with tickets redeemable at the local grocery store. A refinement was to distribute larger samples to all houses employing servants and to larger houses, the logic being that the one pence packet samples would be inadequate even for one morning's cleaning and would therefore be mixed with whatever polish was already in use.<sup>68</sup> Within a district, other sub-travellers were employed to combine the securing of orders in small shops with the monitoring of glass and enamelled advertisements which were repainted and maintained every three months by a body of 'renovators' employed by the company.<sup>69</sup> In addition to intensive introductions at product launches by salesmen, gangs of sub-travellers were also deployed, supported by heavy local advertising, in towns or districts where a competitor was making a determined attack on a Reckitt stronghold or in those places where competition was already strong. Thus, in 1901, travellers and introducers were instructed to 'show the unprofitable character of the Enameline scheme to the trade and concentrate effort on paste in localities where Enameline is largely sold'.<sup>70</sup> Robin Starch, launched in 1899, received similar support from advertising when travellers and introducers combined with a heavy advertising campaign in an attempt 'to make the term Robin and starch synonymous'.<sup>71</sup>

Travellers at all levels were expected to report on competitors' activities. In 1883, Francis Reckitt wrote to his brother James regarding their major competitor in the starch trade, J. & J. Colman: 'We are getting all the information we can, in a quiet way, through the travellers'.<sup>72</sup> When James Mann, formerly employed by the Bishop Auckland Cooperative Store to work in the colliery villages, applied to become an introducer, he was asked first to secure a sample of members' grocery books from which the Reckitts discovered the Coop's success in supplying large volumes of starch, blue, and black lead to the houses of pitmen and engine drivers. Mann was engaged 'to pursue this inquiry'.<sup>73</sup> The new development of liquid metal polish, which was to become a leading line in the home market, resulted from intelligence relayed to the directors from the sales branch in Australia, where metal polishes had largely superseded traditional pastes. In 1902, Reckitts' travellers were instructed to make inquiries regarding the new Globe and Shinio metal polishes that had entered the market. On the basis of that information, the directors concluded that a good opening existed for a first-class metal polish. This led to the introduction of Brasso in 1905. Soon this became a market leader and one of the company's most profitable products.<sup>74</sup>

<sup>67</sup> Unilever Historical Archives at Port Sunlight (hereafter UHAPS) correspondence, Lever to Goss, 16 April 1903.

<sup>68</sup> R&CA 14, directors' minute book, 3 Sept. 1890; R&CA 290, Ferens letter book, 12 Jan. 1891.

<sup>69</sup> R&CA 9, private copying book, Isaac Reckitt & Sons, 30 Dec. 1879; Basil Reckitt, 'Sales and advertising' (in private ownership), p. 2.

<sup>70</sup> R&CA 229, reports on matters dealt with Hull directors, 24 Sept. 1901.

<sup>71</sup> R&CA 292, Ferens letter book, 18 Aug. 1899.

<sup>72</sup> R&CA 290, Ferens copy letter book, Francis to James Reckitt, 1883, n.d.

<sup>73</sup> R&CA 229, reports on matters dealt with Hull directors, 14 June 1897.

<sup>74</sup> Reckitt, *History of Reckitt and Sons*, pp. 55–6.

Initially, control over salesmen's activities was the responsibility of the partners who monitored performance. From 1868, this task fell to Thomas Ferens, appointed confidential clerk to James Reckitt. Under the new system, his prime responsibility was to make out the salesmen's commission accounts, keep a set of books, and to analyse sales in terms of product, region, and the individual traveller responsible.<sup>75</sup> Such data led to the adoption of certain principles affecting advertising; for example, relating expenditure to the number of inhabitants (£100 per 20,000 in 1891) and to a recognition of the potential for market research.<sup>76</sup> Ferens also cited the American marketing successes of Quaker Oats and of Lever's Sunlight Soap as the model for marketing strategy. In relation to the launch of Robin Starch, he observed that the Zebra campaign had taught much: 'Before our big competitors were awake and had overcome our propaganda in favour of their own we could make our position like Sunlight Soap, practically impregnable'.<sup>77</sup>

#### IV

While the Reckitts pioneered systematic sampling and were among the leaders in advertising, the massive scale and success of Lever's launch and sustained campaign to promote Sunlight Soap explains why, by the 1890s, Ferens regarded Lever Bros as the most effective selling organization in Britain. None of William Lever's methods were new when he registered Sunlight Soap as a trademark in 1875, nor in 1886, when he commenced the manufacture as well as sale of packaged soap. The pace and scale of his expansion, however, was dramatic. Between 1877 and 1904, the number of travellers employed rose to 100, each servicing 500 customers.<sup>78</sup> Following the Reckitts' example, Lever employed assistant travellers, district agents, and gangs of introducers for sampling and ticketing. He sustained advertising in different media such as handbooks for the trade and for the public. He also monitored and controlled travellers' activities, which were administered through a central office. The American influence on Lever was in part due to the influence of Goss, the American general manager of Lever's organization in London. 'Progress', an in-house magazine produced first in 1899, had an educational function which included reports on selling activity, advice to outdoor salesmen, and the etiquette to be observed when approaching consumers.<sup>79</sup> Clearly influenced by American sources, it also included an exhortation: 'Ding dong every day, every hour, every minute, that's the way to success and happiness'.<sup>80</sup>

Apart from the sheer scale on which Lever operated, the main differences between the two companies appears to have been Lever's scheme of prizes in exchange for wrappers which was a short-term success but ended in failure when competitors introduced their own prize promotions.<sup>81</sup> Later, Lever likened prizes for wrappers to dram drinking: 'it appears most efficacious at first, but loses its effect after a time'. He also described the prizes offered by the company as 'little

<sup>75</sup> 'T. R. Ferens', *Ours*.

<sup>76</sup> R&CA 141, board meetings minute book, 15 Oct. 1891.

<sup>77</sup> R&CA 292, Ferens letter book, 9 March 1899.

<sup>78</sup> UHAPS correspondence, Lever to Goss, 31 July 1903.

<sup>79</sup> Wilson, *History of Unilever*, vol. 1, p. 42.

<sup>80</sup> *Ibid.*

<sup>81</sup> UHAPS correspondence, Lever to Goss, 20 March 1903.

better than rubbish'.<sup>82</sup> The early years of the twentieth century saw refinements introduced in the continuing attempt to move close to the consumer. Some northern soap makers attacked the Leeds market where Lever was strongly represented in the trade. He discovered that no fewer than 20 district agents were 'going from house to house, preaching the infallibility of their own firm's soap and pointing out the heresy and danger of Sunlight, and especially that Sunlight is only 12 oz to the lb. That at present is the parrot cry throughout these districts. These firms must be having better experience than we did with our district agents'.<sup>83</sup> Some of Lever's competitors introduced a new tactic in their distribution policy. A gang was sent into a district to call on grocers' shops where, instead of ticketing or sampling, they purchased soap tablets from the retailers at full price. This was then sold to customers from door to door, the district agents returning to the grocers' neighbourhood to replenish supplies. This proved to be a popular policy among grocers.<sup>84</sup> Lever's response was to estimate the cost of the exercise: 'I calculate that the half hour or twenty minutes occupied by selling a bar of soap by conversation to a woman at a door is bad business from the manufacturer's point of view and that it costs a penny-halfpenny to twopence per tablet to sell in this way unless a canvasser happens to call on a householder who requires no persuasion and who might take two or three tablets'.<sup>85</sup> Instead, he recommended a policy of distributing the full-sized tablets free to householders in certain districts, a task which could be carried out by a gang in between one-half and one-tenth of the time taken for door-to-door selling. The cost per tablet of such an exercise would be higher, but the result would be to place soap in the hands of those who had not been disposed to buy it and who nevertheless might become users. Goss agreed in principle, but believed that employing boys for such an initiative would be unwise, even though, as Lever pointed out, boys were cheaper, even when accompanied by an inspector to supervise the gangs. Goss argued that 'picking up boys in a haphazard way to employ on handcarts' was inadvisable because neither boys nor men in such gangs should make household calls involving conversation with the householder: 'men and boys are not always of good address. Youths are more likely to take liberties and commit vulgarities than men who, when chosen from the respectable class we have no complaints'.<sup>86</sup> Lever conceded that although he favoured using boys, whom he thought women preferred and were cheap, men were more reliable, dependable, and received training. From this body the best and most trustworthy were selected to be sent, sometimes alone, sometimes in pairs, to the smaller places where sending the gang would be too much.<sup>87</sup> This policy removed from the travellers and branch managers the responsibility for masterminding the gang work, which henceforward was centrally planned and monitored. The travellers were, however, expected to provide feedback on the impact of the 50 gangs mobilized for 26 weeks for the free distribution of full-sized soap bars: 8.4 million sample tablets covering 30 per cent of all householders.<sup>88</sup> While Lever

<sup>82</sup> *Ibid.*, 20 March 1903, 22 March 1903, 7 April 1903.

<sup>83</sup> *Ibid.*, 4 April 1903.

<sup>84</sup> *Ibid.*, 25 Sept. 1903.

<sup>85</sup> *Ibid.*

<sup>86</sup> *Ibid.*, Goss to Lever, 29 Sept. 1903.

<sup>87</sup> *Ibid.*, Lever to Goss, 25 Sept. 1903.

<sup>88</sup> *Ibid.*, 3 Dec. 1903.

spent increasing amounts on advertising, imitating the American approach by investing each product with a personality, he regarded the public as 'about as dense as granite rock and just as hard to penetrate'.<sup>89</sup> He drew Goss's attention to evidence for 'the remarkable influence of travellers' in the history of Watson, a major competing soap maker. Lever regarded Watson to be ahead of his own company because 'they overmatched us with salesmen, even though we overmatched them with advertising and the quality of our soap'.<sup>90</sup> He concluded: 'We can only be solid with good men in every district, trained to their work, and backed by the best advertising that we are capable of and a definite policy behind every soap'.<sup>91</sup>

## V

Such a statement could equally have been made by Silas Burroughs or Henry Wellcome describing the policy they adopted for BW&Co., the partnership set up by two American pharmacists in London in 1880. However, a brief review of their approach to selling medicines provides some instructive contrasts with the marketing strategies of Reckitt and Lever Bros. By definition, ethical medicine could not be advertised directly to the public; consequently, the direct route to the consumer adopted by Reckitt and Lever Bros was not open to BW&Co. Producers of fine chemicals in Britain advertised in journals to the medical profession and to chemists and druggists. The advertisements consisted of informative rather than persuasive copy and contained limited claims to treat, or at most alleviate, rather than to cure various conditions. It appears that the leading fine chemical firms did not employ travelling salesmen before 1914, certainly not men who set out to 'create a demand'.<sup>92</sup>

The initial approach of Burroughs and Wellcome to promote their business in England was to introduce American pharmaceutical preparations, especially the recently developed compressed medicines which quickly established a market. The other most successful product during the early years which also originated in the US was Beef and Iron Wine. The principal ingredient was a strongly tasting wine which, if sufficient was consumed, could leave the consumer 'as high as a kite'.<sup>93</sup> While Burroughs and Wellcome adopted the British manufacturers' approach to advertising, limited to publicity in journals and avoiding newspapers, they introduced American-style 'detail men', the role which they themselves had

<sup>89</sup> *Ibid.*, 26 April 1907.

<sup>90</sup> *Ibid.*, 28 Sept. 1906.

<sup>91</sup> *Ibid.*

<sup>92</sup> A phrase used by Rogers to McBride, 10 Sept. 1902, Wellcome Foundation Archives at the Wellcome Trust (hereafter WFA), Acc. 82/1, box 7, proceedings of the convention of home representatives, 1907, p. 39. See also Curry's remarks contrasting the proactive role adopted by Burroughs Wellcome's travellers who received careful preparation and briefing with the typically passive approach of other drug house representatives in Britain, 'wandering around every three months in the ordinary way and having the orders handed to them'; WFA, Acc. 82/1, box 7, proceedings of the convention of home representatives, 1907, Curry, p. 71. The first reference to salesmen at Allen & Hanburys, the largest leading manufacturer of pharmaceuticals for most of the nineteenth century, relates to the 1920s; Tweedale, *At the sign of the plough*, p. 133. Tweedale describes this company's approach to competition as 'reactive' (p. 122).

<sup>93</sup> The recollection of a Burroughs Wellcome & Co. detail man in his autobiography; McQuillan, *Is the doctor in?*, p. 20.

played in the US before coming to Britain.<sup>94</sup> ‘Detailing’ was the practice whereby representatives called not only upon chemists and druggists but also visited doctors to explain in detail the contents and characteristics of the products they were promoting for the firm, to outline their advantages and effectiveness, while, in principle, taking care not to advance exaggerated claims.<sup>95</sup> The key to growing sales was the cultivation of trust in medical practitioners who were visited in their hospitals and consulting rooms and in their general practices. The credibility thus generated was then extended to travellers and enabled them to introduce new and modified medicinal products and dietetic goods. Not all doctors were familiar with recent developments in medicine and not all chemists were familiar with recent developments in pharmacy. However, so long as the partners ensured that they themselves were well informed and that their travellers were briefed to conduct their interviews equipped with sufficient information to gain the confidence of the knowledgeable practitioner, at least some proportion of the practitioners could be expected to follow best practice. This proved to be the case with respect to compressed medicines sold under the Tabloid trademark, which during the 1880s became synonymous with tablets. Kepler’s Cod Liver Oil and Malt Extracts, a dietetic food, was also sold in exactly the same manner as ethical medicines.

Like polish and soap, medicine was a consumer product. However, selling medicine was different in several important respects from other consumer goods in that the purchase of prescription medicines depended less on consumer choice or recommendation by chemist or druggist than on the decision or advice of a medical practitioner. The partners developed a formula for connecting dispensing chemists with doctors, for gaining access to hospitals and consulting rooms, and for the conduct of interviews. The tactic adopted was to call first on the retailer to persuade him to allow the traveller to refer to him later, when in conversation with the doctor, as the company’s agent. Prescriber and dispenser were thus connected. The canvassing of hospital doctors and surgeons was conducted in hospitals so that they were assembled in the same place and therefore more accessible than they would have been had they been visited at home where they treated private patients. He also found doctors to be more likely to try novelties on hospital patients than on private clients, partly because hospital patients were less likely to be able to exercise choice.<sup>96</sup>

From the beginning, the partners’ approach to countering potential hostility to the novelty of American preparations was a systematic sales campaign incorporating an early form of market research well before those introduced by either Reckitt or Lever Bros. Under the new system, every traveller was issued with a *pro forma* questionnaire which, on completion, was transformed into a consolidated compilation.<sup>97</sup> The questionnaires categorized doctors’ practices and chemists’ businesses based on estimated revenue, class of clients and customers, and the perceived age and entrepreneurial capacity of doctors and chemists, particularly with respect to prescribing or pushing the company’s products and to whether the practice or shop was the leader in the locality.

<sup>94</sup> The early history of S. M. Burroughs & Co. between 1878 and 1880 and of certain aspects of Burroughs Wellcome & Co. between 1880 and 1914 are the subject of Church, ‘British market for medicine’, pp. 281–98.

<sup>95</sup> Detailing is the subject of Liebenau, ‘Marketing high technology’, pp. 82–101.

<sup>96</sup> For a corrective account, see Church, ‘British market for medicine’.

<sup>97</sup> Church, ‘British market for medicine’.

The company's travelling sales representatives were well aware of their own importance. Addressing his fellow representatives in 1907, Rogers, one of the most experienced travellers, described them as 'the eyes of the firm'.<sup>98</sup> As such, they were able to support the effective monitoring and enforcement of the company's resale price maintenance scheme. Identification of retailers who sought to exploit the Wellcome Brand by supplying customers with inferior, often own-make, substitutes was another important role for salesmen.<sup>99</sup> For unlike patents, which conferred protection for 14 years, following the strengthened Patents, Designs, and Trademarks Act of 1883, successful brands could offer market advantage for many decades—possibly even indefinitely.<sup>100</sup> The duration of brand protection depended on maintaining or improving the quality of the product, sustained advertising and promotion, and a preparedness to resort to legal action or threat against those guilty of passing off substitutes.<sup>101</sup> Rogers noted that he and his fellow travellers were also constantly seeing the work and ideas of others and urged them to study their methods and report from time to time on all new ideas and explanations for the success of old ones.<sup>102</sup> Curry, another experienced representative, was appreciative of the benefits they had enjoyed through the support, training, and preparation they had received from the head office. This had afforded them a significant advantage compared with their counterparts employed by other firms. Travellers working for BW&Co. received adequate preparation for visiting through regular briefings, during which they were advised on how to discuss with chemists the links between the company's products, the chemists' trade, and local dispensary practices, and how to interview medical practitioners. The office regularly issued confidential 'push lists' of products as well as a confidential monthly letter circulated to all representatives which set out 'selling points' or 'points for propaganda' to assist them when introducing new products or relaunching those already established.<sup>103</sup>

The long-established system of detailed monitoring of representatives' activities by the partners was reformed in 1895 when travelling representatives were required to communicate with the general manager through a newly-appointed sales manager. He was responsible for drawing up monthly reports on the respective territories for which each traveller was responsible. These were based on detailed correspondence received from representatives on the road. Fewer than 45 visits per week were barely acceptable; those lasting more than 20 minutes were regarded as excessive because: '... between 15 and 20 minutes impressive conversation with a medical man has much better results inasmuch as the doctor is thoroughly impressed with one or more . . . products and is more likely to prescribe same than in a longer interview of one hour plus which usually ends in the medical man having a hazy idea of 20 different things and no distinct recollection of one'.<sup>104</sup>

The company introduced two-day annual training conventions attended by all home representatives, office sales staff, and managers. The meetings provided a

<sup>98</sup> WFA, GB 32/2, records of travellers' calls on medical men at home and abroad, 1881–7, book 2. A detailed exploration of the company's marketing strategy is included in Church and Tansey, *Burroughs Wellcome & Co.*

<sup>99</sup> WFA, Acc. 82/1, proceedings of the convention of home representatives, 1907, Curry, p. 71.

<sup>100</sup> Church and Tansey, *Burroughs Wellcome & Co.*, pp. 131–5.

<sup>101</sup> Dutton, *Patent system*, p. 69.

<sup>102</sup> Church and Tansey, *Burroughs Wellcome & Co.*, pp. 42–6, 136.

<sup>103</sup> WFA, Acc. 82/1, proceedings of the convention of home representatives, 1907, Rogers, p. 39.

<sup>104</sup> *Ibid.*, Sixsmith, pp. 13–17, Rogers, p. 37.

forum for the exchange of information, experience, and ideas.<sup>105</sup> The introduction of a diphtheria antitoxin in the mid-1890s and other bio-medical products marked a conceptual shift because of the difference from all other known therapeutic methods, a change which presented a challenge to educate practitioners by first educating salesmen. The introduction, in 1902, of Wellcome Brand Chemicals also required increased scientific knowledge in the marketing of drugs. Annual conferences provided a forum for education and discussion focused on the company's new products. Scientists from the laboratories lectured on new therapeutic developments and drugs. Supported by advertising and special publications aimed at medical men, it was the travellers' task to persuade physicians and pharmacists that the new therapies offered were both benign and user-friendly.<sup>106</sup> The delivery of educational propaganda required not only scientific input in the preparation of advertising material informed by scientific knowledge and understanding, but also a style of presentation intended to render the innovations comprehensible during the course of a one-to-one interview. Travellers reported a widespread ignorance among physicians, many of whom they found professed to know a great deal but displayed a lack of understanding of pharmacy of even the crudest kind. However, travellers were advised to avoid revealing that ignorance when introducing new products. They were also instructed to refrain from condescension when dealing with chemists and druggists, who instead should be encouraged to develop a more active approach to selling through displays of every kind.<sup>107</sup> The main strategy recommended by a senior traveller was that of 'propagation' (not to be confused, representatives were told, with selling), which he defined as 'enlightened demonstration work'. His thesis was that whereas hitherto the sheer novelty of the company's products could impress doctors through 'show and tell', in an increasingly competitive environment representatives must devise 'spectacular and picturesque' demonstrations of selected products which could be carried in the traveller's bag.<sup>108</sup>

## VI

It is, however, true that British companies often looked to the US for innovative ideas. Each of the three companies explored above (Lever Bros, Reckitt, and Burroughs Wellcome) exemplify this process of the transfer of American ideas adapted to conditions in the British and other overseas markets. While W. H. Lever was assiduous in documenting and adopting American methods, mainly affecting advertising, and the Reckitts remained alert to American developments, it was Burroughs and Wellcome who introduced American sales methods wholesale into Britain in a systematic, routinized monitoring programme from the beginning. The importance of 'organization' in contributing to the development of more effective selling, however, is not self-evident. Moreover, Friedman associates the transformation of selling into a recognizably modern system with certain other conditions which the histories of the three British firms suggest did not exist in Britain.

<sup>105</sup> WFA, Wellcome LB 11, 357, reports to Wellcome, 5 Feb. 1898, unpaginated.

<sup>106</sup> WFA, Acc. 82/1, box 7, proceedings of the convention of home representatives, 1907, 1908.

<sup>107</sup> *Ibid.*, 1907, Jones, p. 65.

<sup>108</sup> *Ibid.*, 1907, p. 99.

Measured by numbers employed, even Lever Bros was no more than a medium-sized enterprise before the huge expansion beginning in 1900, by which time innovative marketing developments had already been introduced. This brief history of selling by these three firms reveals a pattern. Agencies were abandoned as costly and ineffective compared to travellers appointed to sell directly to wholesalers and retailers. Selling and promotion by travellers on the road became increasingly specialized through a division of labour. Senior travellers employed their oral skills, concentrating on selling to the principal retailers; unskilled, less experienced sales staff undertook sampling and servicing of advertisements. Salesmen and sub-travellers were managed from a central office from which territories were mapped out and tactics formulated intended to meet regional and local competitive conditions described by the field staff. Performance was monitored and acted upon and methods of selling were developed through an iterative process between managers and salesmen. The three firms provide evidence of the emergence of an increasingly systematic approach to selling and salesmanship between the mid-nineteenth century and the First World War, which may be interpreted as a transformation in selling. Their employment of salesmen to sell direct to retailers at a time when each firm was a small and medium enterprise (SME) also suggests that the assertion by Jefferys that before 1914 'only the largest of manufacturers found it worthwhile to employ an army of salesmen' missed the point; firstly, because SMEs were employing salesmen from the mid-nineteenth century at least; and secondly, because it was not necessary to employ 'an army' of salesmen to develop innovative methods of selling which enabled firms to grow in established markets or to create others.<sup>109</sup>

In none of the three cases discussed does mass production explain the growth of the firms. Each company manufactured goods requiring chemical processes which were required to produce products to specific formulae. Control of quality was paramount and the processes did not lend themselves to securing economies of scale. *Technical* economies of scale were also limited, evidence of which was the continued survival of small firms in the markets in which the three companies competed. The companies under consideration could perhaps be described as mass marketers, but none was a mass producer. Moreover, by Chandler's definition, all three were personal enterprises in which policy and executive management remained in the hands of first generation entrepreneurs or family; none of the firms possessed the extensive multi-unit structures exploiting the advantages of scale and scope and in many instances involving diversification associated with contemporary big business in the US.<sup>110</sup>

Although not on a comparable scale, the characteristic features of selling, which Friedman associates with the transformation in the US, were introduced in all three companies, some well before 1880, at Reckitt & Sons and during the 1880s and in the 1890s at the other two companies. Route planning for salesmen and the assignment of specific territories, evaluation of customers before a salesman's departure, salesmen's reports on visits, and detailed instructions for salesmen on how to sell were introduced, to varying degrees, by all three companies during the late nineteenth and early twentieth centuries. The theoretical basis of Friedman's

<sup>109</sup> WFA, Acc. 82/1, box 7, proceedings of the convention of home representatives, 1908, Curry, pp. 15–19, 78.

<sup>110</sup> Jefferys, *Retail trading*, p. 12.

analysis is also flawed. His assertion that 'Firms that produced in high volume also had to sell in high volume' is self-evident. The implied causal relationship between scientifically-based mass production and *the methods* of high volume sales, however, is not. The prior consideration of creating markets sufficiently large to contemplate enlarging production was the experience of the three firms whose history is explored above. The major difference was the mass scale of American marketing organization and operations instituted by extensive sales management structures (and the theoretical template created in promoting the systematization of selling as a science). The perception that large-scale and mass production were allied pre-requisites for the development of a 'modern' system of selling apply in Britain only to the size and scale of selling operations. Evidence from the three important consumer goods manufacturers described above suggests that the characteristics of modern selling methods were put in place in Britain after only a short lag.<sup>111</sup> In the absence of mass production and large-scale organization, the new marketing methods enabled two of these companies to grow into large firms and one to become Britain's largest pharmaceutical manufacturer by 1914. However, American sales methods appear to have become more systematic and focused even before 1880. As some of these were copied from American firms, doubts arise regarding the importance of mass production and large-scale organization as prerequisites for innovation in sales methods, sales management, and advertising. Innovative approaches to the market did not require scale and offered a route to growth and larger scale as a consequence, which is the reverse of the model which has dominated the structuralist literature.

Although based on the histories of three companies conducting business in a particular market sector, this conclusion poses an important question. If the conclusion that neither size and scale of production, nor advanced forms of ownership and management structure were necessary conditions for innovative selling in the form of 'modern sales techniques and procedures' and the establishment of complex sales organizations is valid, how are the histories of these companies as selling innovators to be explained? One possible answer is that exceptional entrepreneurship was present, which falls short of a general explanation for the timing and characteristics of marketing developments. There is, however, an alternative explanation. There are striking similarities between the three companies. Each sold non-durable consumer goods, spent heavily on advertising, employed travellers, and, through division of labour and specialization, developed new selling strategies which involved direct contact with consumers or, in one case, with those who determined consumers' purchases. In these respects, the firms were innovators. Such innovations in marketing did not occur in the traditional staple consumer goods industries which predominated during the industrial revolution. Why not? Is it possible to discern a pattern of development amenable to analysis beyond that based on comparing size, scale, corporate strategies, and the entrepreneurial vigour of individual owners and managers? Is it possible to explain why the innovations occurred in these markets rather than in others and why discernible differences existed between different markets? The relevant concepts which make it possible to answer at least some of these questions have been offered by economists' analyses of

<sup>111</sup> Chandler, *Scale and scope*.

consumer theory, which involves systematic examination of relationships between consumer demand, information, and advertising. From this body of literature emerges a model in which different types of products are categorized in accordance with distinctive characteristics that affect interactions between a firm's products and advertisers and with consumers.

The three categories of products identified in this literature have been described as search, experience, and credence goods (a sub-category of experience goods).<sup>112</sup> Search goods are so defined because the products in this category (for example, clothes, furniture, hardware, and pottery) are open to direct inspection by retailer or consumer. Information supplied by sellers in such cases, whether by labelling or advertising, is direct and informative. Incorrect or misleading information can be detected without difficulty because buyers are able to compare price, quality, appearance, weight, size, colour, design, and utility features prior to purchase. Experience goods differ from search goods because it is not possible for the retailer or consumer to know with confidence the differences between products from different sources. In the case of experience goods, buyers cannot be certain of quality or value for money when the initial purchase is made. Consumers are able to determine the utility of such goods only by experience after purchase. Products falling within the experience category include cleaning materials, toiletries, processed foods, drinks, and confectionery. The initial purchase is the most important, the outcome affecting repeat purchases characteristic of consumer goods which are literally used up in the relatively short run. Such characteristics explain why typically these products are associated with branding and are heavily advertised. Characteristically, advertising of these goods presents claims which are low in strictly informative content and conveyed predominantly in indirect terms. These characteristics reflect the greater scope for persuasion that existed in this market compared with that associated with search goods. Finally, credence goods are defined as a special case of experience goods. Because of their possession of subtle and hidden properties—especially those which impart sensations or mind- or body-altering experiences, as in the case of drugs, toiletries, fragrances, and tobacco, consumer search with respect to novel products or new product development is precluded or is, at least, problematic. This provides the most scope for persuasion through branding and advertising, the creation of reputation for products, and a trust in manufacturers which supply them.

The analysis offered above, based on three categories of consumer goods, is open to criticism on the grounds of oversimplification, in that many products might be more accurately defined as a mixture of search and experience goods. Nonetheless, comparisons between the selling strategies adopted by the three companies suggest a congruency with the different potentials for persuasion which the various products display. To this extent, the notions of search, experience, and credence goods are helpful in explaining the rise and developing role of commercial travellers after 1850. Before that time, most consumer goods sold in volume could be categorized as search goods, for which the scope for persuasion was less than for experience goods. This can also explain the continuing predominance of wholesalers and factors in the textile and metal trades, and later of agencies.

<sup>112</sup> Friedman, *Birth of a salesman*, p. 89; *ibid.*, pp. 9, 87–91.

During the early nineteenth century, the most important functions of commercial travellers were to reinforce connections with retailers through regular visiting to collect debts and recommend whether to extend credit. The growing importance of experience goods from that time was facilitated and reinforced by packaging, branding, and indirect advertising. These developments contributed to the decline of the traditional wholesaling and agency system, which was more suited to search than experience goods. The histories of Reckitt and Lever Bros reveal the emergence of salesmen who not only made connections and managed debt and credit transactions with retailers but also applied selling skills. Their function, hitherto limited to persuasive dealing with retailers, increased in importance, as travellers were pushed closer and closer to the consumer; first by distributing samples to retailers, and subsequently by demonstrating to consumers the actual experience of using their cleaning products. Distanced from the consumer and constrained by the convention that ethical medicines should not be advertised directly to the public through highly developed methods of face-to-face selling, the history of BW&Co. also underlines the central role of salesmen in developing trust, both in the products and in the company, which the sale of credence goods requires.

Historically, methods of salesmen and salesmanship in Britain during the period under consideration shared similarities with those that feature in the American model. There are, however, important differences, notably in extent but also in the dynamics of the transformation which took place in the selling of consumer goods. The explanation for the changing role of commercial travellers and the evolution of innovative selling in Britain is not that it was a consequence of large firm size and large-scale mass production as Friedman has described the process in the US. The transformation owed more to the changing character of certain categories of consumer goods which began to be sold as packaged and branded products. These developments led to new selling strategies introduced by those entrepreneurs who were alert to the opportunities which the innovations presented, by offering a method by which small- and medium-sized firms, entrepreneurially- or family-owned, could compete with larger, more established businesses. They resulted in successful outcomes for the British companies by providing a path to expansion, enabling each to dominate certain product markets throughout the first half of the twentieth century.

## VII

If this interpretation of the British experience based on concepts derived from the economics of information is valid, then a question arises regarding the plausibility of Friedman's explanation of sales transformation in the US as a consequence of the development of corporate, large-scale, mass-producing companies. However, before applying the concepts of consumer theory to the US experience, it is relevant to draw attention to the flawed international comparisons drawn between approaches to selling in the US and in Europe. Among the innovations associated with the introduction of new managerial systems, Friedman emphasized the important and distinctive role of large 'modern' sales management departments or divisions. He also maintained that in the nations of Europe 'none created organised sales forces to the same degree as did the United States', though this is not

Table 2. *Salesmen and sales clerks in the USA and in England and Wales, 1870–1911*

<i>Salesmen and sales clerks (USA)</i>		<i>Commercial travellers and commercial clerks (England and Wales)</i>	
1870	231,300	1871	125,699
1880	669,500	1881	248,387
1900	796,100	1901	477,148
1910	1,389,700	1911	645,367

Sources: *Census of England and Wales, 1871–1911, occupation tabs.*; Carter et al., eds., *Historical statistics of the US*, vol. 2, 'Work and welfare', tabs. YS 710A, Ba 1159.

supported either by references or evidence.<sup>113</sup> The impression conveyed generally though not specifically of a rapid simultaneous increase in the numbers of salesmen in the US and the emergence of more highly organized sales forces might suggest that a plausible association between the two could justify the presumption that the American experience was indeed exceptional. Such a conclusion is undermined in two ways, at least when compared with Britain and possibly with some continental European companies.

First, an admittedly crude measure to compare selling activity is the growth in numbers of salesmen and sales clerks in the US between 1870 and 1910 with those in England and Wales between 1871 and 1911. Table 2 reveals a six-fold increase in the US; but the data also show a five-fold expansion in Britain. In 1900/1, salesmen in the field accounted for 12 per cent of the number of salesmen and clerks in the US compared with 16 per cent in England and Wales. The differences are not of an order of magnitude to justify concluding that a causal relation existed between the extent of selling activity and the introduction of highly organized selling departments or systems by manufacturing firms. A disaggregated comparison that identified the relative proportions of sales forces by sectors might show a greater difference, but such an exercise lies beyond the scope of this article; that research remains to be done. The task at this stage is to raise questions concerning Friedman's unqualified assertion.

The second flaw is exposed by empirical evidence from business histories. In the absence of systematic national or sectoral studies which would allow comparisons of the prevalence of advanced sales organization in US and European companies, it is possible only to point to instances where Friedman's extreme assertion that *none* matched the American degree of sales organization, as he describes it, is unwarranted. As it stands, such a generalization requires only a single example for contradiction. More can be offered, though space allows only a few of the most striking examples of extensive sales organization existing in British and European firms to be alluded to here. These organizations were often different from the American model presented in Friedman's analysis, in many cases because a lot of British and European firms secured expansion through extensive overseas trade. Such firms were presented with problems in marketing requiring complexity of a kind which few American companies experienced to a similar degree. The most glaring case which reveals the fragility of Friedman's assertion is to be found in the history of J. & P. Coats and the role of the Central Agency, the firm's sales arm.

<sup>113</sup> See Telser, 'Advertising and competition', pp. 537–62; Nelson, 'Advertising and information', pp. 729–45; idem, 'Consumer information and advertising', pp. 42–77.

Between 1880 and 1914, the Central Agency was the driving force which enabled the company to become Britain's largest manufacturing business, a multinational company which was the leader in the world market for cotton thread.<sup>114</sup> Through this sales organization, an ever-extending system of agencies and contacts was rationalized, and sales policy-making was centralized and closely monitored through surveillance to ensure implementation and the introduction of systematic market analysis.<sup>115</sup>

Within a firmly family-dominated structure and constructed around the Central Agency, a 'sophisticated governance network exercised tight and effective control over extensive worldwide interests'.<sup>116</sup> The history of the Singer Sewing Machine Company during this period shows the development of a similarly sophisticated sales organization originated by the Scottish and London offices of the American-owned company in the mid-nineteenth century. Subsequently, the organization and the sales methods employed were extended worldwide to become one of the world's largest sales organizations by 1914. Central to the innovative strategy initiated in Britain was the employment of tens of thousands of canvassing salesmen, demonstrators, and collectors worldwide, a global organization described by Godley as a 'triumph of rules and procedures over national practices'.<sup>117</sup> Britain's largest tobacco company, W. D. & H. O. Wills, also possessed a sales organization and an extensive traveller sales force reporting to the central office on competitors' activities and through which the board received reports before taking decisions on pricing, packaging, and advertising.<sup>118</sup> A different kind of organization was that adopted by Guinness, Bass, and Combe & Co. (subsequently Watney Combe Reid) which employed extensive sales forces working from sales offices rather than agents. Travelling salesmen were an important part of the marketing strategy through integration forward into retail agencies and tied houses.<sup>119</sup> An outstanding example of comparable developments in continental Europe is provided by the history of Hohner, the German harmonica manufacturer, a family business originating in 1857 which by the 1890s operated on a wide international scale. The company's marketing strategy included the establishment of overseas branches throughout the US and western Europe, especially after 1900, and constructed an extensive network of travellers, representatives, and merchants who dominated the trade. Diversity characterized the precise forms of organization adopted for different countries, a flexible model designed to maximize adaptability to varied conditions that prevailed in local markets across the world.<sup>120</sup>

## VIII

These reservations are not, however, sufficient to justify rejecting the structural analysis as it has been applied to the US. Other studies of the evolution of distribution provide support for Friedman's interpretation. This is consistent with

<sup>114</sup> Friedman, *Birth of a salesman*, p. 4.

<sup>115</sup> Kim, 'From family partnership to corporate enterprise'.

<sup>116</sup> Idem, 'J. & P. Coats as a multinational', p. 530–2.

<sup>117</sup> Godley, 'Selling the sewing machine', pp. 267, 281, 293–7.

<sup>118</sup> Alford, *W. D. & H. O. Wills*, pp. 160–1.

<sup>119</sup> Gourvish and Wilson, *British brewing industry*, p. 159.

<sup>120</sup> Berghoff, 'Marketing diversity', p. 363.

Porter and Livesay's account of the decline in independent wholesaling beginning in the 1890s, for they, too, adopted a Chandlerian framework.<sup>121</sup> They concluded that the emergence of many scientifically- and technologically-oriented industries producing more complicated products resulted in the supersession of traditional marketing arrangements based on the wholesaler by direct marketing undertaken by salesmen employed by manufacturers. The rise of the modern corporation and the trend towards oligopoly during the wave of vertical integration that occurred in the late 1890s and early 1900s contributed to an increasing concentration of markets, thereby further undermining the position of the independent wholesaler, or jobber, and witnessed an increasing reliance by manufacturers on salesmen working out of a sales office.<sup>122</sup>

In this analysis, the speed and degree to which the wholesaler declined and was replaced by direct selling by manufacturers employing salesmen depended also on whether the products manufactured were 'generic' or 'specific'. Specific goods were defined as technologically complex and highly differentiated. Selling such products as cash registers, sewing machines, and typewriters required demonstration, installation, and after-sales service, requirements which favoured product-specific marketing through highly trained sales staff. Other categories of consumer goods, which they characterize as 'generic', presented no such marketing difficulties, because they were 'relatively simple, unspecific, and undifferentiated'.<sup>123</sup> They argued that the most important determinants of the marketing system employed by a firm were the nature of the product manufactured and the nature of the market (whether competitive, monopolistic, or oligopolistic) served by the enterprise.<sup>124</sup> They concluded that the survival of the independent wholesaler occurred in firms manufacturing generic products in highly competitive markets such as those supplying the grocery, drug, hardware, dry goods, and jewellery trades.<sup>125</sup> The general nature of these distinctions raises questions regarding their helpfulness as a methodology. Consumer theory places hardware, dry goods, and jewellery in the search goods category; likewise some groceries and drugs sold in bulk. This categorization is consistent with the longer survival of traditional methods of distribution through wholesalers. However, the emergence of the important trade in branded, packaged goods, consumer products which include groceries and drugs, fall into the experience goods category which is consistent with increased control by manufacturers of the selling of such products. Furthermore, the survival or decline of the wholesaler appears to be less important to understanding the 'transformation in selling' in the US than the evolution of marketing techniques and selling methods themselves. This is because both wholesalers and manufacturers employed salesmen, while some manufacturers engaged with both.

There is, however, evidence which points in a different direction. By comparison with the relatively advanced urban retailing system that already existed in Britain before 1850, distribution in the US was dominated by general stores and a relatively advanced wholesaling system. This included the employment of salaried salesmen, though their role was to receive potential buyers at warehouse or central

<sup>121</sup> Porter and Livesay, *Merchants and manufacturers*, p. 157.

<sup>122</sup> *Ibid.*, p. 230.

<sup>123</sup> *Ibid.*, p. 2, n. 2.

<sup>124</sup> *Ibid.*, p. 2.

<sup>125</sup> *Ibid.*, pp. 3, 225.

commercial premises attended by representatives of several wholesaling specialists, rather than to visit shopkeepers. Increasingly, after the Civil War, the response of wholesalers experiencing increased competition, resulting in part from improved communications provided by railways and the telegraph, was to send salesmen out on the road to visit retailers and to improve sales methods by marking out salesmen's territories, establishing routes, advising them on customer relations, and planning visiting programmes. Some wholesalers also introduced brands.<sup>126</sup> However, compared with the size of major innovating manufacturing companies with respect to changing methods of selling referred to by Friedman, wholesalers were neither very large enterprises, nor mass producers, nor mass marketers; advertising was not a major element in wholesalers' marketing strategies before 1880.<sup>127</sup> From that time, however, as the general store was superseded by specialist retailers, manufacturers began to devise selling strategies to escape the control of wholesalers and to go directly to retailers through salaried salesmen.<sup>128</sup>

Their activities have attracted the attention of Chandler, who, in *The visible hand*, drew a distinction between the itinerant drummers or patent medicine vendors of the pre-Civil War period with the salesmen who appeared during the post-Civil War decades. In addition to taking orders and drumming up new trade, the new drummers employed by manufacturers also made regular visits to wholesalers and retailers. They provided a flow of information to the office, reporting on credit ratings of storekeepers and merchants, and on developments in the market. Normally the salesmen's activities were monitored, evaluated, and directed by a sales manager and staff in departments which included a small office where catalogues were prepared and printed and advertisements were devised for insertion in local newspapers.<sup>129</sup> Thus, Chandler identified developments in the *methods* of selling as having been introduced in the 1880s, predating the creation of massive multi-unit marketing organizations and uniform sales techniques that follow the introduction of mass production.<sup>130</sup> In 1900, such companies as Heinz, Proctor & Gamble, NCR, Fuller Brush, and Coca Cola were large but still primarily family enterprises rather than modern corporations. Proctor & Gamble continued to sell through wholesalers until after the First World War.<sup>131</sup>

Spears's study, which approaches the history of salesmen from a cultural rather than an economic perspective, is broadly consistent with Friedman's analysis of the transformation of selling in terms of scale, centralization, and control. However, Spears adopts a more equivocal position with respect to the degree of change in selling *methods*. He refers to the entry into the language of the term 'salesmanship' in the 1880s to describe a new kind of work<sup>132</sup> and cites an employer's instructions delivered to his travellers in 1884, warning them not to conduct themselves like the drummers of the earlier decades when they were associated with huckstering, loud suits, and smutty jokes.<sup>133</sup> This suggests that in

<sup>126</sup> Moeckel, *Development of the wholesaler*, ch. IV.

<sup>127</sup> *Ibid.*, pp. 135–42.

<sup>128</sup> *Ibid.*, pp. 121–33.

<sup>129</sup> Chandler, *Visible hand*, p. 219.

<sup>130</sup> *Ibid.*, pp. 308–9.

<sup>131</sup> Chandler, *Scale and scope*, pp. 155–6.

<sup>132</sup> Spears, *100 years on the road*, p. 110.

<sup>133</sup> *Ibid.*, pp. 101–2, 110.

addition to the introduction of systematic selling directed from a sales office, a professionalization—involving moderation of behaviour—may be seen as an intermediate step which preceded the twentieth-century codification of salesmen's methods and the emergence of a philosophy and training programmes of instruction in 'scientific salesmanship'. Spears drew the distinction between travellers who before 1900 were typically 'answerable' to employers and those who after 1900 were subjected to increasing central direction by bureaucratic sales managements.<sup>134</sup> Centralization was designed to impose greater managerial control by increasingly large central sales offices. Nonetheless, Spears interpreted the advent of 'scientific salesmanship' from around 1900 'as marking not a shift but rather a culmination of the era of improvisation and emphasis on individual efforts'.<sup>135</sup> Systematization of this kind may have facilitated the wider dissemination of best practice, but centralised direction may not necessarily have been accompanied by the introduction of innovations in actual methods of selling. In a chapter entitled 'Drummers and salesmen', Zunz concluded that the articulation of a philosophy and principles of a science of corporate salesmanship did not necessarily alter salesmen's perception of selling as still dependent for success upon essentially personal qualities, such as ability, determination, action, and reliability.<sup>136</sup>

## IX

A relevant test case of Friedman's strong hypothesis relating to size, structure, and selling strategies is that of the pharmaceutical industry whose advanced selling practices in Britain (albeit by a British partnership belonging to two Americans) were described above. It is significant that both Burroughs and Wellcome were former 'detail men' previously employed respectively by the American pharmaceutical firms, John Wyeth & Brother, drug manufacturer, and McKesson & Robbins, drug wholesaler, during the late 1870s. This implies that the selling methods which they introduced into Britain were being practised by American companies (both of which were SMEs) two decades before the process of detailing described by Liebenau as originating in the late 1890s.<sup>137</sup> These innovations also pre-dated a similar process reported by Greene in his study of pharmaceutical salesmen in the US to have occurred during the mid-twentieth century. He identified the beginning of a rapid expansion of detail men and a change in the character of selling necessitated by the need for pharmaceutical companies to promote entirely new classes of therapeutic compounds.<sup>138</sup> Growth in the numbers of salesmen coincided with the emergence of the 'professional detail man', to whom Greene attributed a significant achievement in the first 'extension of a hierarchically structured marketing apparatus—based on rationalised principles of management and marketing analysis—into social spaces [hospitals and doctors' surgeries] previously thought to be occupied only by doctors and patients'.<sup>139</sup> The practice of detailing doctors in hospitals and consulting rooms also pre-dated the

<sup>134</sup> *Ibid.*, p. 87.

<sup>135</sup> *Ibid.*, p. 83.

<sup>136</sup> Zunz, *Making America corporate*, p. 1.

<sup>137</sup> Liebenau, 'Marketing high technology'.

<sup>138</sup> Greene, 'Attention to "details"', pp. 272–3.

<sup>139</sup> *Ibid.*, p. 273.

1890s. The fact that both manufacturers and wholesalers employed salesmen who practised similar sales methods underlines the limited significance of structure as an explanation for changes in selling techniques.

The assertion that size and corporate structure were associated with advanced sales methods is difficult to test because of the lack of statistical evidence presented in the literature. Chandler's list of the 200 largest industrial enterprises ranked by assets in 1917 does not include a single pharmaceutical firm. The turnover of the largest manufacturer of ethical pharmaceuticals, Parke Davis & Co., amounted to \$18.1 million and fell well below the asset criterion (\$24.4 million) to qualify for inclusion among the largest 200 industrial enterprises in the food, chemical, and machinery industries.<sup>140</sup> Liebenau described the highly competitive American industry in the period 1918–29 as having consisted still predominantly of 'small businesses, moulded by incentives which the business climate provided and by the action of individual entrepreneurs'.<sup>141</sup> Even after the First World War, this was not an industry in which modern, large-scale, corporate structures were the dominant influences on the history of the industry. Chandler emphasized that the origins of the development of new drugs and the transformation of the industry to become science-based during the early twentieth century were not the result of the investments and activities of innovative entrepreneurial companies, but were achieved by long-established drug manufacturing enterprises.<sup>142</sup> Outside the retail trade, mergers were unusual in the pharmaceutical industry.

It is possible that the experience of the industry might have been the exception in the US. However, the diverse pattern and chronology of marketing development shown by that industry raises the possibility that, as in Scranton's attempt at a revision of the role and importance of giant managerialist, mass-producing companies by exploring speciality *production*, hitherto hidden diversity and complexities might have existed.<sup>143</sup> Further research into the selling practices of American firms might discover (as in Britain) a co-existence of firms of various sizes and structure, corporate, entrepreneurial and family-owned enterprises, practising volume or large scale mass-marketing and direct selling, the impetus for which is attributable less to corporate structure, ownership, size, and organization and more to product categories and market characteristics in accordance with the economics of consumer theory. In the non-durable consumer goods sector in Britain, creative marketing preceded mass production. The possibility that a similar process explains the US transformation remains at least a possibility.

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<sup>140</sup> Chandler, *Scale and scope*, app. A1, p. 638; A4, p. 660.

<sup>141</sup> Liebenau, *Medical science and medical industry*, p. 126.

<sup>142</sup> Chandler, *Scale and scope*, p. 164.

<sup>143</sup> Scranton, *Endless novelty*.

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