

Chapter 01

Selling and Salespeople

True / False Questions

1. Personal selling is the craft of persuading people to buy what they do not want and do not need for more than it is worth.

True False

2. Customers who use multiple channels or sources for gathering information are referred to as "omnichannel buyers."

True False

3. The goal of selling is merely to promote a product or service.

True False

4. In a selling situation, buyers usually exclude the selling price of a good while calculating their profit.

True False

5. The Personal Value Equation of a buyer is the selling price minus the benefits received.

True False

6. In a selling situation, the seller's profit is the benefits received minus the selling price.

True False

7. Go-to-market strategies are used by buyers to select a suitable vendor in the buying process.

True False

8. Organizations whose go-to-market strategies rely heavily on advertising and publicity are called sales force-intensive organizations.

True False

9. Publicity is a form of unpaid marketing communication between buyers and the selling firm.

True False

10. Advertising is the most costly method of communication for selling firms.

True False

11. In the context of communicating marketing message to customers, firms have more control on unpaid methods of communication than on paid methods of communication.

True False

12. If salespeople want to sell effectively, they have to recognize that the buyer has needs that are met not only by the product but also by the selling process itself.

True False

13. Activities such as prospecting for new customers, making sales presentations, demonstrating products, negotiating price and delivery terms, writing orders, and increasing sales to existing customers are only part of a sales job.

True False

14. Generally, salespeople spend more than 50 percent of their time on-site in face-to-face meetings with customers and prospects.

True False

15. The phrase "customer-centric" means making the customer the center of everything a salesperson does.

True False

16. A salesperson's job does not end when the customer places an order.

True False

17. Salespeople coordinate the activities within their firms to solve customer problems.

True False

18. Six sigma selling programs are designed to reduce and eliminate errors in the selling system.

True False

19. A customer relationship management (CRM) system is a system that organizes information about customers, their needs, company information, and sales information.

True False

20. A firm's products move from the manufacturer to the final user through a series of institutions called a production network.

True False

21. A missionary salesperson's job is to approach distributors and encourage them to sell the manufacturer's products.

True False

22. Joshua represents a large drug manufacturer and calls on physicians to explain to them the benefits of prescribing his firm's products for their patients. Joshua is a missionary salesperson.

True False

23. Normally, missionary salespeople and local distributor salespeople for the same firm are intensively competitive with each other as each strives to take business away from the other.

True False

24. A salesperson is required to show high levels of creativity when he or she has to sell a service rather than a product to a new customer.

True False

25. Selling capital goods to manufacturers is much easier than selling cookies to consumers.

True False

26. Many sales jobs do not involve building long-term partnerships.

True False

27. Inside selling typically is more demanding than field selling because the former entails more intense interactions with customers.

True False

28. Customers develop long-term relationships with salespeople who are dependable and trustworthy.

True False

29. Selling analytics is an attempt to gain insights into customers by using data mining and analytic techniques.

True False

30. The financial rewards of selling are independent of the level of skill of the salesperson and the sophistication needed to do the job.

True False

Multiple Choice Questions

31. When selling a product, the collection of buyer-specific benefits that a seller offers to a buyer is known as:

- A. customer value proposition.
- B. budget bogey.
- C. the seller's profit.
- D. customer lifetime value.
- E. the seller's kickbacks.

32. The cost of a good sold by a seller is \$7,500. The selling cost involved in the sale is \$150 and the selling price is \$8,250. The buyer's profit is \$150. The seller's profit is _____.

- A. \$500
- B. \$300
- C. \$750
- D. \$450
- E. \$600

33. Valerie's goal as a sales representative is to _____, which is the total benefit that her company's products and services provide to buyers.

- A. add creativity
- B. improve relationships
- C. maximize profits
- D. create value
- E. focus on sales numbers

34. The selling price of a product is \$8,000. The cost and hassle involved in buying the product is \$175. The benefit received from the product to a buyer is labelled "A." The seller's profit is \$400. In this case, which of the following equations will accurately calculate the buyer's profit?

- A. $A + \$8,000$
- B. $\$8,000 + \400
- C. $\$8,000 - A$
- D. $A - (\$8,000 + \$175)$
- E. $(A + \$400) - \175

35. A seller's profit is _____.

- A. the cost of goods sold minus the marketing margin
- B. the selling price minus the cost of goods sold and selling costs
- C. the marginal difference between the asset price and cost of sales
- D. the benefits received - (the selling price + time and effort to purchase)
- E. the relative price + the absolute cost

36. From a buyer's perspective, value in a purchase decision equals _____.
- A. the cost of goods sold - the marketing margin
 - B. the relative price + the absolute cost
 - C. the marginal difference between asset price and cost of sales
 - D. the benefits received - (the selling price + time and effort to purchase)
 - E. distribution benefits received - production costs
37. Which of the following is an example of selling?
- A. A college student asking a professor to let him enroll in a course that is closed for admissions
 - B. An employee making a presentation at a job interview
 - C. An engineer convincing his manager to support his R&D activity
 - D. A salesperson talking about the advantages of the washing machines at his store
 - E. All of these
38. Gwen is researching ways to sell her new product. She is considering Internet sales, hiring sales reps, using a manufacturer's rep, and several other options. Gwen is considering:
- A. her multi-channel mission.
 - B. her go-to-market strategies.
 - C. her customer-centric circle.
 - D. the lifetime marketing value of her customers.
 - E. her firm's integrated marketing communication system.

39. Sandra's marketing strategy is a go-to-market strategy. She relies heavily on salespeople for marketing her products. Sandra's organization is a(n) _____.

- A. public relations organization
- B. organization that focuses exclusively on customer value
- C. sales force-intensive organization
- D. organization with a missionary strategy
- E. all of these

40. Which of the following statements is true about sales promotion?

- A. It is the cheapest method of personal communication.
- B. It is more flexible than personal selling.
- C. It offers incentives to customers to purchase products during a specific period.
- D. It restricts a firm from controlling the content and exact delivery of its marketing message.
- E. It is more reliable than the word-of-mouth method of marketing communication.

41. One of the advantages of personal selling is that it is the most _____ method used to communicate with customers.

- A. credible
- B. reasonable
- C. generic
- D. defensive
- E. flexible

42. In the context of the content and delivery of a marketing message, which of the following methods of communication is more difficult to control than others?

- A. Television
- B. Radio
- C. Sales promotion
- D. Advertising
- E. Word of mouth

43. The reason information supplied through publicity is usually considered more credible than information supplied by a salesperson is that:

- A. salespeople are considered unethical.
- B. the information supplied through publicity is perceived to be independent.
- C. the general public has more information than the average salesperson.
- D. publicity costs more than personal selling.
- E. organizations have control over information when it is disseminated through publicity.

44. Even though personal selling is the most expensive method of communication on a per-person-reached basis, businesses continue to use personal selling because of advantages in:

- A. flexibility.
- B. the number of people reached.
- C. credibility.
- D. efficiency.
- E. control over the content of publicity.

45. Why does personal selling work better than other communication options available to firms selling in the business-to-business market?

- A. Personal selling employs more people in the United States than advertising.
- B. Salespeople are able to tailor unique messages for each prospective buyer.
- C. Firms in the United States have become particularly adept at hiring "born" salespeople.
- D. Personal selling is the cheapest form of promotion.
- E. Salespeople are proficient in all aspects of new product development.

46. One of the advantages of personal selling as compared to advertising is that:

- A. salespeople can be closely supervised.
- B. salespeople can become very persuasive, since they give an identical sales presentation to so many different people.
- C. salespeople can rely on puffery.
- D. salespeople can change their message if they find their customers losing interest.
- E. all of these.

47. To promote its products, Valerie's firm has always depended solely on advertising in the local newspaper and occasional direct mail programs. Valerie suggests using integrated marketing communications because:

- A. no single communication vehicle is free of weaknesses.
- B. it would reduce their advertising costs.
- C. a sustainable competitive advantage can only be derived from alternative advertising.
- D. it will lengthen their channels of distribution.
- E. it will serve as a competitive intelligence tool.

48. Compared with team selling, salesperson who work alone:
- A. have higher job satisfaction.
 - B. have higher levels of emotional intelligence.
 - C. spend more than 90 percent of their time in internal selling.
 - D. have higher levels of confidence and optimism.
 - E. have higher turnover intentions.
49. When All-Star Productions Inc. releases a new movie, it usually advertises on television, gives out sales promotion items at fast-food restaurants, creates a website for the movie, holds special showings, and encourages people to talk about the movie. This coordination of all the efforts is called:
- A. generative marketing.
 - B. tactical marketing.
 - C. integrated marketing communications.
 - D. the marketing concept.
 - E. relationship marketing.
50. Which of the following statements about how salespeople spend their time each week is true?
- A. Salespeople typically spend the least amount of time in an average week traveling and sitting in waiting areas.
 - B. Most of the selling done by salespeople today is done over the telephone.
 - C. Salespeople spend less than 2 hours per week on administrative tasks.
 - D. Salespeople spend more time in meetings, working with support people in their companies, traveling, waiting for a sales interview, doing paperwork, and servicing customers than in face-to-face selling.
 - E. None of these

51. Which of the following is true of sales in today's world?

- A. Many buyers now are buying from the lowest-cost suppliers.
- B. Buyers are demanding 24/7 service.
- C. Many buyers now are building competitive advantages by maintaining a distant relationship with their suppliers.
- D. The salesperson's job ends as soon as the customer places an order.
- E. All of these

52. After making two major sales calls, Jennifer spent time in her hotel room submitting information about the calls over the Internet to her company. Jennifer was providing information to her firm's:

- A. distribution channel efficacy system.
- B. customer relationship management system.
- C. business simulation system.
- D. NAICS control center system.
- E. situational management system.

53. The set of people and organizations responsible for the flow of products and services from the producer to the ultimate consumer is called a firm's:

- A. selling function.
- B. advertising force.
- C. marketing organization.
- D. distribution channel.
- E. sales team.

54. Vincent is the sales manager of his company, which manufactures aluminum and alloys. He contacts different spacecraft manufacturers and aviation companies that use these raw materials and sells them his company's products. This enables him to eliminate all levels of middlemen in his sales. Which of the following statements is most likely true about this scenario?

- A. Vincent is a missionary sales agent.
- B. Vincent is a retailer.
- C. The manufacturing company uses word-of-mouth marketing.
- D. The manufacturing company has great monopoly over other companies.
- E. Vincent is using a direct channel of distribution.

55. _____ sell to firms that resell the products rather than using them within the firm.

- A. Distributor salespeople
- B. Trade salespeople
- C. Runners
- D. Manufacturers' customer service representatives
- E. Retail salespeople

56. _____ sell products made by a number of manufacturers to businesses.

- A. Distributor salespeople
- B. Trade salespeople
- C. Runners
- D. Manufacturers' customer service representatives
- E. Retail salespeople

57. Pacific Rim Co. sells outdoor furniture, garden and patio accessories, baskets, floral arrangements, and pottery to retail garden nurseries. Its salespeople are known as:
- A. distributor salespeople.
 - B. trade salespeople.
 - C. runners.
 - D. manufacturers' agents.
 - E. retail salespeople.
58. _____ work for a manufacturer and promote the manufacturer's products to other firms that buy the products from distributors or other manufacturers, not directly from the salesperson's firm.
- A. Distributor reps
 - B. Industrial salespeople
 - C. Missionary salespeople
 - D. Trade partners
 - E. Retail salespeople
59. Laura works for Seminole Textiles. As part of her job, she calls on upholsterers, towel and sheet manufacturers, and other customers of the Seminole distributors to encourage them to use more Seminole textiles which they would order from their distributor, not directly from Seminole. Laura is a:
- A. distributor rep.
 - B. trade salesperson.
 - C. missionary salesperson.
 - D. trade partner.
 - E. retail salesperson.

60. Missionary salespeople:

- A. work for retailers.
- B. are an essential part of the consumer products distribution channel.
- C. frequently call on people who influence a buying decision but who do not actually place the order.
- D. never directly contact consumers.
- E. do not have any role to play in the business-to-business model.

61. Manufacturers' Representatives Inc. (MRI) is an independent company that employs sales representatives to sell the products of many different producers. MRI's sales reps sell these products to wholesalers and retailers. MRI receives a commission from the producers for the products it sells. MRI is an example of a:

- A. manufacturers' agent.
- B. selling agent.
- C. missionary sales agency.
- D. partnership selling strategy.
- E. production agent.

62. The difference between a distributor and a manufacturers' agent is that a manufacturers' agent:

- A. never owns the product.
- B. does not receive a commission for the services provided.
- C. does not work for more than one manufacturer.
- D. does not transmit the sales order to the manufacturer.
- E. never sells a service.

63. Manufacturers' agents:

- A. actually take ownership of the products they sell.
- B. are independent businesspeople.
- C. are paid a monthly fee for their services.
- D. typically call on people who may influence a sale and not those who actually place the order.
- E. are accurately described by all of these.

64. Which of the following statements about salesperson relationships with customers and prospects is true?

- A. Selling to new prospects requires the same skills as selling to existing customers.
- B. Salespeople responsible for existing customers place more emphasis on selling products than on servicing and relationship building.
- C. Rejection is an inevitable part of making initial contacts with potential customers.
- D. To convince prospects to purchase a product they use regularly, salespeople need to be especially self-confident and aggressive.
- E. None of these

65. In the context of tangible benefits, which of the following products are easier to sell than others?

- A. Investment products
- B. Computer software
- C. Toy cars
- D. Music on mobile applications
- E. Insurance products

66. Robert works long hours in his firm, making calls to household consumers. Unlike other salespeople in his team, he is not required to visit customers' residences to sell products. He also handles the customer grievance helpline of his firm. Which of the following statements is true about Robert?

- A. Robert is an expert in field sales.
- B. Robert is a distributor salesperson.
- C. Robert is a manufacturer's agent.
- D. Robert is a missionary salesperson.
- E. Robert is an inside salesperson.

67. Identify the situation in which the creativity level of a salesperson is low.

- A. When customer participation in decision making is high
- B. When new solutions are to be provided to customers
- C. When services rather than products are to be sold to customers
- D. When goods are to be sold to an existing customer
- E. When products sold to customers are intangible in nature

68. Which of the following is true of inside salespeople?

- A. They spend considerable time in the customer's place of business.
- B. They communicate with the customer face-to-face.
- C. They are very involved in problem solving with customers.
- D. They typically communicate with customers by telephone or computer.
- E. None of these

69. Jennifer and Selena are employed by their firm to sell its products. Jennifer is required to go to the customer's residence and demonstrate the features and benefits of the products, whereas Selena is required to conduct sales by calling existing customers. Which of the following statements is most likely true about the scenario?

- A. Jennifer is a field salesperson.
- B. Selena will be required to be more creative than Jennifer in selling the firm's product.
- C. Selena has better communication skills than Jennifer.
- D. Jennifer is more agile than Selena.
- E. Selena is a manufacturer's agent.

70. Which of the following products would most likely be the hardest for a new salesperson to sell?

- A. Laptops for students
- B. Horse trailers
- C. Management consulting services
- D. Office supplies to existing customers
- E. Restaurant tablecloths

71. Vincent spends very little time explaining the features of a product to a customer. His colleagues state that salespeople need to be creative in order to generate sales. Vincent says that he is not required to be creative because of the type of customers he is required to handle. Which of the following strengthens Vincent's belief?

- A. Vincent is selling to existing customers.
- B. Vincent's customers are field customers.
- C. Vincent is a senior salesperson.
- D. Vincent is selling a service.
- E. Vincent is selling a tangible product to new customers.

72. George is a new salesperson in his firm. He is assigned to attract new buyers by visiting their homes and demonstrating the features of the firm's products. Though he is insensitive and rude to most people, he is valued by his management because he is able to generate new ideas and tactics that retain existing customers. His ability to innovate has helped improve his performance at his firm. Which of the following statements is true about George?

- A. George is an inside salesperson.
- B. George has a high level of emotional intelligence.
- C. George relies on team selling rather than selling alone.
- D. George is a creative salesperson.
- E. George specializes in internal selling.

73. _____ is the ability to effectively understand and use one's own feelings and the feelings of people with whom one interacts.

- A. Emotional intelligence
- B. Adaptive learning
- C. Environmental awareness
- D. Generative learning
- E. Behavioral intelligence

74. When LeAnn called on a long-time customer, she realized that the man was upset about the loss of his pet and took the time to listen to his problem. She was able to sympathize with the customer's recent loss of a pet by using her:

- A. emotional intelligence.
- B. adaptive learning.
- C. environmental awareness.
- D. generative learning.
- E. behavioral intelligence.

75. _____ is the trait of having imagination and inventiveness and using them to come up with new solutions and ideas.

- A. Emotional intelligence
- B. Agility
- C. Creativity
- D. Optimism
- E. Empathy

76. Most of the skills required to be a successful salesperson:

- A. are associated with intellectual achievement.
- B. can be learned.
- C. are the focus of six sigma selling programs.
- D. create a value proposition.
- E. are skills that people are born with and cannot be learned.

77. A person who _____ would probably find a career in sales attractive.

- A. wants a nine-to-five job
- B. wants to work in an office
- C. is not motivated by financial rewards
- D. likes independence and is willing to take responsibility
- E. does not like to take responsibility

78. Salespeople are like entrepreneurs because:

- A. they do not have to invest in themselves.
- B. integrated marketing communications eliminate investment risk.
- C. manufacturers trust salespeople to be corporate-centric.
- D. of the unusual freedom and flexibility in doing their jobs.
- E. they have to spend a lot of time in a structured work environment.

79. Which of the following is usually the first step in the selling process of a product?

- A. Planning for the sales call
- B. Explaining the benefits of the product to customers
- C. Searching for prospective customers
- D. Building partnering relationships with customers after the completion of sale
- E. Calculating the customer lifetime value of customers

80. Which of the following is usually the last step in the selling process of a product?

- A. Making the sales call
- B. Demonstrating the various features and benefits of the product to customers
- C. Obtaining commitment from customers to purchase the product
- D. Building partnering relationships with customers after the completion of sale
- E. Prospecting for new customers

Short Answer Questions

81. What is customer lifetime value?

82. Relative to advertising, what is the major advantage and disadvantage of personal selling?

83. Relative to publicity, what are the major advantages and disadvantages of personal selling?

84. On average, salespeople spend less than 50 percent of their time on face-to-face meetings with customers and prospects. What are they doing with the rest of their time?

85. What are six sigma selling programs?

86. What do distributor salespeople do?

87. What are manufacturers' agents?

88. How does the type of benefits provided by products and services affect the nature of the sales job?

89. What sales situations require high creativity?

90. Describe the personality profile for the ideal salesperson.

Essay Questions

91. How is being customer-centric different from the stereotype image of salespeople?

92. How is value measured for a seller and for a buyer?

93. Compare personal selling with other marketing communication methods in terms of control, flexibility, credibility, and cost.

94. Why do companies spend money on personal selling when there are so many less-expensive alternatives?

95. Why do many organizations use integrated marketing communications?

96. What type of people would most likely be interested in selling?

97. What is the role of a salesperson as an information provider?

98. What six factors are used to describe sales jobs?

99. How do field salespeople differ from inside salespeople?

100. List the four aspects of emotional intelligence.

Chapter 01 Selling and Salespeople **Answer Key**

True / False Questions

1. Personal selling is the craft of persuading people to buy what they do not want and do not need for more than it is worth.

TRUE

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-01 What is selling?

2. Customers who use multiple channels or sources for gathering information are referred to as "omnichannel buyers."

TRUE

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-02 Why should you learn about selling even if you do not plan to be a salesperson?

3. The goal of selling is merely to promote a product or service.

FALSE

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-02 Why should you learn about selling even if you do not plan to be a salesperson?

4. In a selling situation, buyers usually exclude the selling price of a good while calculating their profit.

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Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-02 Why should you learn about selling even if you do not plan to be a salesperson?

5. The Personal Value Equation of a buyer is the selling price minus the benefits received.

FALSE

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-02 Why should you learn about selling even if you do not plan to be a salesperson?

6. In a selling situation, the seller's profit is the benefits received minus the selling price.

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Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-02 Why should you learn about selling even if you do not plan to be a salesperson?

7. Go-to-market strategies are used by buyers to select a suitable vendor in the buying process.

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Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-03 What is the role of personal selling in a firm?

8. Organizations whose go-to-market strategies rely heavily on advertising and publicity are called sales force-intensive organizations.

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Accessibility: Keyboard Navigation

Difficulty: 1 Easy

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10. Advertising is the most costly method of communication for selling firms.

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12. If salespeople want to sell effectively, they have to recognize that the buyer has needs that are met not only by the product but also by the selling process itself.

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13. Activities such as prospecting for new customers, making sales presentations, demonstrating products, negotiating price and delivery terms, writing orders, and increasing sales to existing customers are only part of a sales job.

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Difficulty: 1 Easy

Learning Objective: 01-03 What is the role of personal selling in a firm?

14. Generally, salespeople spend more than 50 percent of their time on-site in face-to-face meetings with customers and prospects.

FALSE

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Difficulty: 1 Easy

Learning Objective: 01-03 What is the role of personal selling in a firm?

15. The phrase "customer-centric" means making the customer the center of everything a salesperson does.

TRUE

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-03 What is the role of personal selling in a firm?

16. A salesperson's job does not end when the customer places an order.

TRUE

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-03 What is the role of personal selling in a firm?

17. Salespeople coordinate the activities within their firms to solve customer problems.

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Learning Objective: 01-03 What is the role of personal selling in a firm?

18. Six sigma selling programs are designed to reduce and eliminate errors in the selling system.

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Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-03 What is the role of personal selling in a firm?

19. A customer relationship management (CRM) system is a system that organizes information about customers, their needs, company information, and sales information.

TRUE

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-03 What is the role of personal selling in a firm?

20. A firm's products move from the manufacturer to the final user through a series of institutions called a production network.

FALSE

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-04 What are the different types of salespeople?

21. A missionary salesperson's job is to approach distributors and encourage them to sell the manufacturer's products.

FALSE

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-04 What are the different types of salespeople?

22. Joshua represents a large drug manufacturer and calls on physicians to explain to them the benefits of prescribing his firm's products for their patients. Joshua is a missionary salesperson.

TRUE

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-04 What are the different types of salespeople?

23. Normally, missionary salespeople and local distributor salespeople for the same firm are intensively competitive with each other as each strives to take business away from the other.

FALSE

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-04 What are the different types of salespeople?

24. A salesperson is required to show high levels of creativity when he or she has to sell a service rather than a product to a new customer.

TRUE

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-04 What are the different types of salespeople?

25. Selling capital goods to manufacturers is much easier than selling cookies to consumers.

FALSE

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-04 What are the different types of salespeople?

26. Many sales jobs do not involve building long-term partnerships.

TRUE

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-04 What are the different types of salespeople?

27. Inside selling typically is more demanding than field selling because the former entails more intense interactions with customers.

FALSE

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-04 What are the different types of salespeople?

28. Customers develop long-term relationships with salespeople who are dependable and trustworthy.

TRUE

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-05 What are the rewards of a selling career?

29. Selling analytics is an attempt to gain insights into customers by using data mining and analytic techniques.

TRUE

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-05 What are the rewards of a selling career?

30. The financial rewards of selling are independent of the level of skill of the salesperson and the sophistication needed to do the job.

FALSE

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-05 What are the rewards of a selling career?

Multiple Choice Questions

31. When selling a product, the collection of buyer-specific benefits that a seller offers to a buyer is known as:

- A. customer value proposition.
- B. budget bogey.
- C. the seller's profit.
- D. customer lifetime value.
- E. the seller's kickbacks.

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-02 Why should you learn about selling even if you do not plan to be a salesperson?

32. The cost of a good sold by a seller is \$7,500. The selling cost involved in the sale is \$150 and the selling price is \$8,250. The buyer's profit is \$150. The seller's profit is _____.

- A. \$500
- B. \$300
- C. \$750
- D. \$450
- E. \$600

Accessibility: Keyboard Navigation

Difficulty: 3 Hard

Learning Objective: 01-02 Why should you learn about selling even if you do not plan to be a salesperson?

33. Valerie's goal as a sales representative is to _____, which is the total benefit that her company's products and services provide to buyers.

- A. add creativity
- B. improve relationships
- C. maximize profits
- D. create value**
- E. focus on sales numbers

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-02 Why should you learn about selling even if you do not plan to be a salesperson?

34. The selling price of a product is \$8,000. The cost and hassle involved in buying the product is \$175. The benefit received from the product to a buyer is labelled "A." The seller's profit is \$400. In this case, which of the following equations will accurately calculate the buyer's profit?

- A. $A + \$8,000$
- B. $\$8,000 + \400
- C. $\$8,000 - A$
- D. $A - (\$8,000 + \$175)$**
- E. $(A + \$400) - \175

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-02 Why should you learn about selling even if you do not plan to be a salesperson?

35. A seller's profit is _____.

- A. the cost of goods sold minus the marketing margin
- B.** the selling price minus the cost of goods sold and selling costs
- C. the marginal difference between the asset price and cost of sales
- D. the benefits received - (the selling price + time and effort to purchase)
- E. the relative price + the absolute cost

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-02 Why should you learn about selling even if you do not plan to be a salesperson?

36. From a buyer's perspective, value in a purchase decision equals _____.

- A. the cost of goods sold - the marketing margin
- B. the relative price + the absolute cost
- C. the marginal difference between asset price and cost of sales
- D.** the benefits received - (the selling price + time and effort to purchase)
- E. distribution benefits received - production costs

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-02 Why should you learn about selling even if you do not plan to be a salesperson?

37. Which of the following is an example of selling?

- A. A college student asking a professor to let him enroll in a course that is closed for admissions
- B. An employee making a presentation at a job interview
- C. An engineer convincing his manager to support his R&D activity
- D. A salesperson talking about the advantages of the washing machines at his store
- E.** All of these

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-01 What is selling?

Learning Objective: 01-02 Why should you learn about selling even if you do not plan to be a salesperson?

38. Gwen is researching ways to sell her new product. She is considering Internet sales, hiring sales reps, using a manufacturer's rep, and several other options. Gwen is considering:
- A. her multi-channel mission.
 - B. her go-to-market strategies.**
 - C. her customer-centric circle.
 - D. the lifetime marketing value of her customers.
 - E. her firm's integrated marketing communication system.

Accessibility: Keyboard Navigation

Difficulty: 3 Hard

Learning Objective: 01-03 What is the role of personal selling in a firm?

39. Sandra's marketing strategy is a go-to-market strategy. She relies heavily on salespeople for marketing her products. Sandra's organization is a(n) _____.
- A. public relations organization
 - B. organization that focuses exclusively on customer value
 - C. sales force-intensive organization**
 - D. organization with a missionary strategy
 - E. all of these

Accessibility: Keyboard Navigation

Difficulty: 3 Hard

Learning Objective: 01-03 What is the role of personal selling in a firm?

40. Which of the following statements is true about sales promotion?

- A. It is the cheapest method of personal communication.
- B. It is more flexible than personal selling.
- C.** It offers incentives to customers to purchase products during a specific period.
- D. It restricts a firm from controlling the content and exact delivery of its marketing message.
- E. It is more reliable than the word-of-mouth method of marketing communication.

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-03 What is the role of personal selling in a firm?

41. One of the advantages of personal selling is that it is the most _____ method used to communicate with customers.

- A. credible
- B. reasonable
- C. generic
- D. defensive
- E.** flexible

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-03 What is the role of personal selling in a firm?

42. In the context of the content and delivery of a marketing message, which of the following methods of communication is more difficult to control than others?

- A. Television
- B. Radio
- C. Sales promotion
- D. Advertising
- E. Word of mouth**

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-03 What is the role of personal selling in a firm?

43. The reason information supplied through publicity is usually considered more credible than information supplied by a salesperson is that:

- A. salespeople are considered unethical.
- B. the information supplied through publicity is perceived to be independent.**
- C. the general public has more information than the average salesperson.
- D. publicity costs more than personal selling.
- E. organizations have control over information when it is disseminated through publicity.

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-03 What is the role of personal selling in a firm?

44. Even though personal selling is the most expensive method of communication on a per-person-reached basis, businesses continue to use personal selling because of advantages in:

- A.** flexibility.
- B. the number of people reached.
- C. credibility.
- D. efficiency.
- E. control over the content of publicity.

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-03 What is the role of personal selling in a firm?

45. Why does personal selling work better than other communication options available to firms selling in the business-to-business market?

- A. Personal selling employs more people in the United States than advertising.
- B.** Salespeople are able to tailor unique messages for each prospective buyer.
- C. Firms in the United States have become particularly adept at hiring "born" salespeople.
- D. Personal selling is the cheapest form of promotion.
- E. Salespeople are proficient in all aspects of new product development.

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-03 What is the role of personal selling in a firm?

46. One of the advantages of personal selling as compared to advertising is that:
- A. salespeople can be closely supervised.
 - B. salespeople can become very persuasive, since they give an identical sales presentation to so many different people.
 - C. salespeople can rely on puffery.
 - D. salespeople can change their message if they find their customers losing interest.
 - E. all of these.

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-03 What is the role of personal selling in a firm?

47. To promote its products, Valerie's firm has always depended solely on advertising in the local newspaper and occasional direct mail programs. Valerie suggests using integrated marketing communications because:

- A. no single communication vehicle is free of weaknesses.
- B. it would reduce their advertising costs.
- C. a sustainable competitive advantage can only be derived from alternative advertising.
- D. it will lengthen their channels of distribution.
- E. it will serve as a competitive intelligence tool.

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-03 What is the role of personal selling in a firm?

48. Compared with team selling, salesperson who work alone:

- A. have higher job satisfaction.
- B. have higher levels of emotional intelligence.
- C. spend more than 90 percent of their time in internal selling.
- D. have higher levels of confidence and optimism.
- E.** have higher turnover intentions.

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-03 What is the role of personal selling in a firm?

49. When All-Star Productions Inc. releases a new movie, it usually advertises on television, gives out sales promotion items at fast-food restaurants, creates a website for the movie, holds special showings, and encourages people to talk about the movie. This coordination of all the efforts is called:

- A. generative marketing.
- B. tactical marketing.
- C.** integrated marketing communications.
- D. the marketing concept.
- E. relationship marketing.

Accessibility: Keyboard Navigation

Difficulty: 3 Hard

Learning Objective: 01-03 What is the role of personal selling in a firm?

50. Which of the following statements about how salespeople spend their time each week is true?

- A. Salespeople typically spend the least amount of time in an average week traveling and sitting in waiting areas.
- B. Most of the selling done by salespeople today is done over the telephone.
- C. Salespeople spend less than 2 hours per week on administrative tasks.
- D.** Salespeople spend more time in meetings, working with support people in their companies, traveling, waiting for a sales interview, doing paperwork, and servicing customers than in face-to-face selling.
- E. None of these

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-03 What is the role of personal selling in a firm?

51. Which of the following is true of sales in today's world?

- A. Many buyers now are buying from the lowest-cost suppliers.
- B.** Buyers are demanding 24/7 service.
- C. Many buyers now are building competitive advantages by maintaining a distant relationship with their suppliers.
- D. The salesperson's job ends as soon as the customer places an order.
- E. All of these

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-03 What is the role of personal selling in a firm?

52. After making two major sales calls, Jennifer spent time in her hotel room submitting information about the calls over the Internet to her company. Jennifer was providing information to her firm's:

- A. distribution channel efficacy system.
- B.** customer relationship management system.
- C. business simulation system.
- D. NAICS control center system.
- E. situational management system.

Accessibility: Keyboard Navigation

Difficulty: 3 Hard

Learning Objective: 01-03 What is the role of personal selling in a firm?

53. The set of people and organizations responsible for the flow of products and services from the producer to the ultimate consumer is called a firm's:

- A. selling function.
- B. advertising force.
- C. marketing organization.
- D.** distribution channel.
- E. sales team.

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-04 What are the different types of salespeople?

54. Vincent is the sales manager of his company, which manufactures aluminum and alloys. He contacts different spacecraft manufacturers and aviation companies that use these raw materials and sells them his company's products. This enables him to eliminate all levels of middlemen in his sales. Which of the following statements is most likely true about this scenario?
- A. Vincent is a missionary sales agent.
 - B. Vincent is a retailer.
 - C. The manufacturing company uses word-of-mouth marketing.
 - D. The manufacturing company has great monopoly over other companies.
 - E.** Vincent is using a direct channel of distribution.

Accessibility: Keyboard Navigation

Difficulty: 3 Hard

Learning Objective: 01-04 What are the different types of salespeople?

55. _____ sell to firms that resell the products rather than using them within the firm.
- A. Distributor salespeople
 - B.** Trade salespeople
 - C. Runners
 - D. Manufacturers' customer service representatives
 - E. Retail salespeople

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-04 What are the different types of salespeople?

56. _____ sell products made by a number of manufacturers to businesses.

- A.** Distributor salespeople
- B. Trade salespeople
- C. Runners
- D. Manufacturers' customer service representatives
- E. Retail salespeople

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-04 What are the different types of salespeople?

57. Pacific Rim Co. sells outdoor furniture, garden and patio accessories, baskets, floral arrangements, and pottery to retail garden nurseries. Its salespeople are known as:

- A. distributor salespeople.
- B.** trade salespeople.
- C. runners.
- D. manufacturers' agents.
- E. retail salespeople.

Accessibility: Keyboard Navigation

Difficulty: 3 Hard

Learning Objective: 01-04 What are the different types of salespeople?

58. _____ work for a manufacturer and promote the manufacturer's products to other firms that buy the products from distributors or other manufacturers, not directly from the salesperson's firm.

- A. Distributor reps
- B. Industrial salespeople
- C. Missionary salespeople**
- D. Trade partners
- E. Retail salespeople

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-04 What are the different types of salespeople?

59. Laura works for Seminole Textiles. As part of her job, she calls on upholsterers, towel and sheet manufacturers, and other customers of the Seminole distributors to encourage them to use more Seminole textiles which they would order from their distributor, not directly from Seminole. Laura is a:

- A. distributor rep.
- B. trade salesperson.
- C. missionary salesperson.**
- D. trade partner.
- E. retail salesperson.

Accessibility: Keyboard Navigation

Difficulty: 3 Hard

Learning Objective: 01-04 What are the different types of salespeople?

60. Missionary salespeople:

- A. work for retailers.
- B. are an essential part of the consumer products distribution channel.
- C.** frequently call on people who influence a buying decision but who do not actually place the order.
- D. never directly contact consumers.
- E. do not have any role to play in the business-to-business model.

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-04 What are the different types of salespeople?

61. Manufacturers' Representatives Inc. (MRI) is an independent company that employs sales representatives to sell the products of many different producers. MRI's sales reps sell these products to wholesalers and retailers. MRI receives a commission from the producers for the products it sells. MRI is an example of a:

- A.** manufacturers' agent.
- B. selling agent.
- C. missionary sales agency.
- D. partnership selling strategy.
- E. production agent.

Accessibility: Keyboard Navigation

Difficulty: 3 Hard

Learning Objective: 01-04 What are the different types of salespeople?

62. The difference between a distributor and a manufacturers' agent is that a manufacturers' agent:

- A.** never owns the product.
- B. does not receive a commission for the services provided.
- C. does not work for more than one manufacturer.
- D. does not transmit the sales order to the manufacturer.
- E. never sells a service.

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-04 What are the different types of salespeople?

63. Manufacturers' agents:

- A. actually take ownership of the products they sell.
- B.** are independent businesspeople.
- C. are paid a monthly fee for their services.
- D. typically call on people who may influence a sale and not those who actually place the order.
- E. are accurately described by all of these.

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-04 What are the different types of salespeople?

64. Which of the following statements about salesperson relationships with customers and prospects is true?
- A. Selling to new prospects requires the same skills as selling to existing customers.
 - B.** Salespeople responsible for existing customers place more emphasis on selling products than on servicing and relationship building.
 - C. Rejection is an inevitable part of making initial contacts with potential customers.
 - D. To convince prospects to purchase a product they use regularly, salespeople need to be especially self-confident and aggressive.
 - E. None of these

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-04 What are the different types of salespeople?

65. In the context of tangible benefits, which of the following products are easier to sell than others?
- A. Investment products
 - B. Computer software
 - C.** Toy cars
 - D. Music on mobile applications
 - E. Insurance products

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-04 What are the different types of salespeople?

66. Robert works long hours in his firm, making calls to household consumers. Unlike other salespeople in his team, he is not required to visit customers' residences to sell products. He also handles the customer grievance helpline of his firm. Which of the following statements is true about Robert?

- A. Robert is an expert in field sales.
- B. Robert is a distributor salesperson.
- C. Robert is a manufacturer's agent.
- D. Robert is a missionary salesperson.
- E. Robert is an inside salesperson.

Accessibility: Keyboard Navigation

Difficulty: 3 Hard

Learning Objective: 01-04 What are the different types of salespeople?

67. Identify the situation in which the creativity level of a salesperson is low.

- A. When customer participation in decision making is high
- B. When new solutions are to be provided to customers
- C. When services rather than products are to be sold to customers
- D. When goods are to be sold to an existing customer
- E. When products sold to customers are intangible in nature

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-04 What are the different types of salespeople?

68. Which of the following is true of inside salespeople?

- A. They spend considerable time in the customer's place of business.
- B. They communicate with the customer face-to-face.
- C. They are very involved in problem solving with customers.
- D.** They typically communicate with customers by telephone or computer.
- E. None of these

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-04 What are the different types of salespeople?

69. Jennifer and Selena are employed by their firm to sell its products. Jennifer is required to go to the customer's residence and demonstrate the features and benefits of the products, whereas Selena is required to conduct sales by calling existing customers. Which of the following statements is most likely true about the scenario?

- A.** Jennifer is a field salesperson.
- B. Selena will be required to be more creative than Jennifer in selling the firm's product.
- C. Selena has better communication skills than Jennifer.
- D. Jennifer is more agile than Selena.
- E. Selena is a manufacturer's agent.

Accessibility: Keyboard Navigation

Difficulty: 3 Hard

Learning Objective: 01-04 What are the different types of salespeople?

70. Which of the following products would most likely be the hardest for a new salesperson to sell?

- A. Laptops for students
- B. Horse trailers
- C. Management consulting services**
- D. Office supplies to existing customers
- E. Restaurant tablecloths

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-04 What are the different types of salespeople?

71. Vincent spends very little time explaining the features of a product to a customer. His colleagues state that salespeople need to be creative in order to generate sales. Vincent says that he is not required to be creative because of the type of customers he is required to handle. Which of the following strengthens Vincent's belief?

- A. Vincent is selling to existing customers.**
- B. Vincent's customers are field customers.
- C. Vincent is a senior salesperson.
- D. Vincent is selling a service.
- E. Vincent is selling a tangible product to new customers.

Accessibility: Keyboard Navigation

Difficulty: 3 Hard

Learning Objective: 01-04 What are the different types of salespeople?

72. George is a new salesperson in his firm. He is assigned to attract new buyers by visiting their homes and demonstrating the features of the firm's products. Though he is insensitive and rude to most people, he is valued by his management because he is able to generate new ideas and tactics that retain existing customers. His ability to innovate has helped improve his performance at his firm. Which of the following statements is true about George?
- A. George is an inside salesperson.
 - B. George has a high level of emotional intelligence.
 - C. George relies on team selling rather than selling alone.
 - D.** George is a creative salesperson.
 - E. George specializes in internal selling.

Accessibility: Keyboard Navigation

Difficulty: 3 Hard

Learning Objective: 01-04 What are the different types of salespeople?

73. _____ is the ability to effectively understand and use one's own feelings and the feelings of people with whom one interacts.
- A.** Emotional intelligence
 - B. Adaptive learning
 - C. Environmental awareness
 - D. Generative learning
 - E. Behavioral intelligence

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-04 What are the different types of salespeople?

74. When LeAnn called on a long-time customer, she realized that the man was upset about the loss of his pet and took the time to listen to his problem. She was able to sympathize with the customer's recent loss of a pet by using her:

- A.** emotional intelligence.
- B. adaptive learning.
- C. environmental awareness.
- D. generative learning.
- E. behavioral intelligence.

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-04 What are the different types of salespeople?

75. _____ is the trait of having imagination and inventiveness and using them to come up with new solutions and ideas.

- A. Emotional intelligence
- B. Agility
- C.** Creativity
- D. Optimism
- E. Empathy

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-04 What are the different types of salespeople?

76. Most of the skills required to be a successful salesperson:

- A. are associated with intellectual achievement.
- B. can be learned.**
- C. are the focus of six sigma selling programs.
- D. create a value proposition.
- E. are skills that people are born with and cannot be learned.

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-04 What are the different types of salespeople?

77. A person who _____ would probably find a career in sales attractive.

- A. wants a nine-to-five job
- B. wants to work in an office
- C. is not motivated by financial rewards
- D. likes independence and is willing to take responsibility**
- E. does not like to take responsibility

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-05 What are the rewards of a selling career?

78. Salespeople are like entrepreneurs because:

- A. they do not have to invest in themselves.
- B. integrated marketing communications eliminate investment risk.
- C. manufacturers trust salespeople to be corporate-centric.
- D. of the unusual freedom and flexibility in doing their jobs.**
- E. they have to spend a lot of time in a structured work environment.

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-05 What are the rewards of a selling career?

79. Which of the following is usually the first step in the selling process of a product?
- A. Planning for the sales call
 - B. Explaining the benefits of the product to customers
 - C.** Searching for prospective customers
 - D. Building partnering relationships with customers after the completion of sale
 - E. Calculating the customer lifetime value of customers

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-05 What are the rewards of a selling career?

80. Which of the following is usually the last step in the selling process of a product?
- A. Making the sales call
 - B. Demonstrating the various features and benefits of the product to customers
 - C. Obtaining commitment from customers to purchase the product
 - D.** Building partnering relationships with customers after the completion of sale
 - E. Prospecting for new customers

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-05 What are the rewards of a selling career?

Short Answer Questions

81. What is customer lifetime value?

The sum of a customer's purchases over the customer's entire lifetime is known as customer lifetime value. Selling firms use various go-to-market strategies to understand their customer's lifetime value.

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-03 What is the role of personal selling in a firm?

82. Relative to advertising, what is the major advantage and disadvantage of personal selling?

Relative to advertising, the major advantage of personal selling is that it provides high flexibility. The major disadvantage of personal selling is that it is more costly than advertising.

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-03 What is the role of personal selling in a firm?

83. Relative to publicity, what are the major advantages and disadvantages of personal selling?

Greater control and flexibility are the major advantages of personal selling over publicity. Compared with publicity, lower credibility and higher costs are the major disadvantages of personal selling.

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-03 What is the role of personal selling in a firm?

84. On average, salespeople spend less than 50 percent of their time on face-to-face meetings with customers and prospects. What are they doing with the rest of their time?

Salespeople spend more than 50 percent of their time in meetings, working with support people in their companies (internal selling), servicing customers, traveling, waiting for a sales interview, administrative tasks, and doing paperwork.

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-03 What is the role of personal selling in a firm?

85. What are six sigma selling programs?

Six sigma selling programs are designed to reduce errors introduced by the selling system of a firm to practically zero. This becomes increasingly important when one realizes how much companies are buying from salespeople.

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-03 What is the role of personal selling in a firm?

86. What do distributor salespeople do?

Distributor salespeople sell products made by a number of manufacturers to businesses. For example, some Intel salespeople sell microprocessors to distributors such as Arrow Electronics, and Arrow salespeople then resell the microprocessors and other electronic components to customers such as Dell.

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-04 What are the different types of salespeople?

87. What are manufacturers' agents?

They are independent businesspeople who are paid a commission by a manufacturer for all products or services sold. They do not own the products they sell. They sell products and take orders which are transmitted to the manufacturer.

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-04 What are the different types of salespeople?

88. How does the type of benefits provided by products and services affect the nature of the sales job?

Products such as chemicals and trucks typically have tangible benefits: customers can objectively measure a chemical's purity and a truck's payload. The benefits of services such as business insurance or investment opportunities are more intangible: customers cannot easily measure the riskiness of an investment. Intangible benefits are harder to sell than tangible benefits. It is much easier to show a customer the payload of a truck than the benefits of carrying insurance.

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-04 What are the different types of salespeople?

89. What sales situations require high creativity?

Situations that require high creativity include new customers, creating new solutions, high importance of customer purchase decisions, field selling, services, and situations where the salesperson has a significant role in securing customer commitment.

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-04 What are the different types of salespeople?

90. Describe the personality profile for the ideal salesperson.

There is no such profile, but successful salespeople are hard workers and smart workers. They are self-motivated, dependable, ethical, knowledgeable, good communicators, flexible, creative, confident, and emotionally intelligent. They also have good analytical skills and aren't afraid of technology.

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-04 What are the different types of salespeople?

Essay Questions

91. How is being customer-centric different from the stereotype image of salespeople?

Being customer-centric means making the customer the center of everything the selling firm does. The stereotypical image of salespeople is one of fast-talking, nonlistening, pushy people whose major concern is getting the sale.

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-03 What is the role of personal selling in a firm?

92. How is value measured for a seller and for a buyer?

For a seller, value or profit would be the selling price minus the cost of goods sold and selling costs. For a buyer, value would be calculated as benefits received minus the selling price and costs and hassles of buying, or time and effort, involved in the purchase.

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-02 Why should you learn about selling even if you do not plan to be a salesperson?

93. Compare personal selling with other marketing communication methods in terms of control, flexibility, credibility, and cost.

Personal selling provides greater control and flexibility than advertising, publicity, or word of mouth. It has greater credibility than advertising but not as much as publicity or word-of-mouth communication. Personal selling is the most costly method of communication.

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-03 What is the role of personal selling in a firm?

94. Why do companies spend money on personal selling when there are so many less-expensive alternatives?

The higher cost of personal selling is justified by its greater effectiveness. Personal selling works better than any other communication vehicle. Other methods, like advertising, can't be tailored as easily or quickly to each individual.

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-03 What is the role of personal selling in a firm?

95. Why do many organizations use integrated marketing communications?

Organizations use integrated marketing communications (IMC) because each communication vehicle has some strength or weakness. IMC allows organizations to coordinate the use of various vehicles to maximize the impact of the total program on customers.

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-03 What is the role of personal selling in a firm?

96. What type of people would most likely be interested in selling?

Many people do not want to spend long hours behind a desk, doing the same thing every day. They prefer to be outside, moving around, meeting people, and working on various problems. Selling ideally suits people with these interests. The typical salesperson interacts with dozens of people daily, and most of these contacts involve challenging new experiences.

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-05 What are the rewards of a selling career?

97. What is the role of a salesperson as an information provider?

In their reporting activities, salespeople provide information to their firms about expenses, calls made, future calls scheduled, sales forecasts, competitor activities, 16 business conditions, and unsatisfied customer needs.

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-03 What is the role of personal selling in a firm?

98. What six factors are used to describe sales jobs?

Descriptions of sales jobs often focus on:

1. The stage of the buyer-seller relationship
2. The salesperson's role
3. The importance of the customer's purchase decision
4. The location of salesperson-customer contact
5. The nature of the offering sold by the salesperson
6. The salesperson's role in securing customer commitment

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-04 What are the different types of salespeople?

99. How do field salespeople differ from inside salespeople?

Field salespeople spend considerable time in the customer's place of business, communicating with the customer face-to-face. Inside salespeople work at their employer's location and typically communicate with customers by telephone or computer. Field selling typically is more demanding than inside selling because the former entails more intense interactions with customers. Field salespeople are more involved in problem solving with customers, whereas inside salespeople often respond to customer-initiated requests.

Accessibility: Keyboard Navigation

Difficulty: 2 Medium

Learning Objective: 01-04 What are the different types of salespeople?

100. List the four aspects of emotional intelligence.

The four aspects are: (1) knowing one's own feelings and emotions as they are experienced, (2) controlling one's emotions to avoid acting impulsively, (3) recognizing customers' emotions, and (4) using one's emotions to interact effectively with customers.

Accessibility: Keyboard Navigation

Difficulty: 1 Easy

Learning Objective: 01-04 What are the different types of salespeople?