

Student name: _____

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

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

true

false

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

true

false

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

true

false

The personal value equation of a buyer is the selling price minus the benefits received.

true

false

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

true

false

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

true

false

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

true

false

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

true

false

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

true

false

In the context of communicating marketing messages to customers, firms have more control when using unpaid methods of communication than when using paid methods of communication.

true

false

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

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 part of a sales job.

true

false

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

true

false

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

true

false

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

true

false

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

true

false

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

true

false

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

true

false

Sales promotions use impersonal forms of mass media to provide information to customers, while advertising offers customers incentives to buy products during a specific period.

true

false

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

true

false

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

true

false

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

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

Most college graduates in sales work as a salesperson for a retailer rather than going into business-to-business selling.

true

false

Inside salespeople are increasingly being used to penetrate small to mid-market sized companies.

true

false

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

true

false

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

true

false

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

true

false

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

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

the customer value proposition.

budget bogey.

the seller's profit.

customer lifetime value.

the seller's kickbacks.

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 \$500.

\$300.

\$750.

\$450.

\$600.

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

add creativity

improve relationships

maximize profits

create value

focus on sales numbers

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 labeled "A." The seller's profit is \$400. In this case, which of the following equations will accurately calculate the buyer's profit?

$A + \$8,000$

$\$8,000 + \400

$\$8,000 - A$

$A - (\$8,000 + \$175)$

$(A + \$400) - \175

A seller's profit is

the cost of goods sold minus the marketing margin.

the selling price minus the cost of goods sold and the selling costs.

the marginal difference between the asset price and the cost of sales.

the benefits received – (the selling price + the time and effort to purchase).

the relative price + the absolute cost.

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

the cost of goods sold – the marketing margin.

the relative price + the absolute cost.

the marginal difference between the asset price and the cost of sales.

the benefits received – (the selling price + the time and effort to purchase).

the distribution benefits received – the production costs.

Which of the following is an example of selling?

a college student asking a professor to let him enroll in a course that is closed for admissions

an employee making a presentation at a job interview

an engineer convincing his manager to support his R&D activity

a salesperson talking about the advantages of the washing machines at his store

All of the answers are correct.

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

her multichannel mission.

her go-to-market strategies.

her customer-centric circle.

the lifetime marketing value of her customers.

her firm's integrated marketing communication system.

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)

public relations organization.

organization that focuses exclusively on customer value.

sales force-intensive organization.

organization with a missionary strategy.

All of the answers are correct.

Which of the following statements is true about sales promotion?

It is the cheapest method of personal communication.

It is more flexible than personal selling.

It offers incentives to customers to purchase products during a specific period.

It restricts a firm from controlling the content and exact delivery of its marketing message.

It is more reliable than the word-of-mouth method of marketing communication.

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

credible

reasonable

generic

defensive

flexible

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?

television

radio

sales promotion

advertising

word of mouth

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

salespeople are considered unethical.

information supplied through publicity is perceived to be independent.

the general public has more information than the average salesperson.

publicity costs more than personal selling.

organizations have control over information when it is disseminated through publicity.

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

flexibility.

the number of people reached.

credibility.

efficiency.

control over the content of publicity.

In the context of the role of salespeople in a business, which of the following statements is true of personal selling?

It is less flexible than other communication methods.

It helps the salesperson discover the specific needs of each customer.

It is the least expensive method of sales communication.

It is disadvantageous in that it offers less control than publicity and word of mouth.

It is highly credible as it uses independent sources to communicate information.

One of the advantages of personal selling over advertising is that

salespeople can be closely supervised.

salespeople can become very persuasive, since they give an identical sales presentation to so many different people.

salespeople can rely on puffery.

salespeople can change their message if they find their customers losing interest.

All of the answers are correct.

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

no single communication vehicle is free of weaknesses.

it would reduce their advertising costs.

a sustainable competitive advantage can only be derived from alternative advertising.

it will lengthen their channels of distribution.

it will serve as a competitive intelligence tool.

Compared with team selling, salespeople who work alone

have higher job satisfaction.

have higher levels of emotional intelligence.

spend more than 90 percent of their time in internal selling.

have higher levels of confidence and optimism.

have higher turnover intentions.

When All-Star Productions Incorporated 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

generative marketing.

tactical marketing.

integrated marketing communications.

the marketing concept.

relationship marketing.

Which of the following statements is true about a salesperson's job?

Salespeople spend over 80 percent of their time in face-to-face meetings with customers.

Most of the selling done by salespeople today is done over the telephone.

Salespeople's responsibilities end when a customer places an order.

Salespeople work with other people in their companies to ensure that customer queries are resolved on time.

None of the answers is correct.

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

Many buyers now are buying from the lowest-cost suppliers.

Buyers are demanding 24/7 service.

Many buyers now are building competitive advantages by maintaining a distant relationship with their suppliers.

The salesperson's job ends as soon as the customer places an order.

All of the answers are correct.

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 distribution channel efficacy system.

customer relationship management system.

business simulation system.

NAICS control center system.

situational management system.

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

selling function.

advertising force.

marketing organization.

distribution channel.

sales team.

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?

Vincent is a missionary sales agent.

Vincent is a retailer.

The manufacturing company uses word-of-mouth marketing.

The manufacturing company has monopoly over other companies.

Vincent is using a direct channel of distribution.

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

Missionary salespeople

Trade salespeople

Sales engineers

Manufacturers' agents

Retail salespeople

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

Distributor salespeople

Sales engineers

Inside salespeople

Manufacturers' agents

Retail salespeople

Jamal works for an automobile manufacturer. He explains the functionality of high-end automobiles to customers in simple terms and helps them resolve any problems they may have. Jamal directly interacts with customers and generally travels to them. By facilitating conversations for such technologically advanced products, he aids the sales process. Which of the following terms *best* describes Jamal's role?

distributor salesperson

sales engineer

inside salesperson

manufacturers' agent

retail salesperson

_____ 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.

Distributor reps

Industrial salespeople

Missionary salespeople

Trade partners

Retail salespeople

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 products that they would order from their distributor, not directly from Seminole.

Laura is a

distributor rep.

trade salesperson.

missionary salesperson.

trade partner.

retail salesperson.

Missionary salespeople

work for retailers.

are an essential part of consumer products' distribution channel.

frequently call on people who influence a buying decision but who do not actually place the order.

never directly contact consumers.

do not have any role to play in the business-to-business model.

Manufacturers' Representatives Incorporated (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

manufacturers' agent.

selling agent.

missionary sales agency.

partnership selling strategy.

production agent.

The difference between a distributor and a manufacturers' agent is that a manufacturers' agent never owns the product.

does not receive a commission for the services provided.

does not work for more than one manufacturer.

does not transmit the sales order to the manufacturer.

never sells a service.

Manufacturers' agents

actually take ownership of the products they sell.

are independent businesspeople.

are paid a monthly fee for their services.

typically call on people who may influence a sale and not those who actually place the order.

All of the answers are correct.

Which of the following statements is true of the sales job continuum?

Sales jobs focused on taking orders require a much higher level of skill and creativity than headquarters selling.

Salespeople responsible for existing customers emphasize selling products over servicing and relationship building.

Sales jobs involving important decisions often require salespeople to interact with several people involved in the purchase decision.

Inside salespeople spend most of their time in the customer's place of business, communicating face-to-face with the customer.

Tangible benefits are generally harder to sell than intangible benefits and require greater involvement on the salesperson's part.

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

investment products

computer software

toy cars

music on mobile applications

insurance products

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?

Robert is an expert in field sales.

Robert is a distributor salesperson.

Robert is a manufacturers' agent.

Robert is a missionary salesperson.

Robert is an inside salesperson.

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

when customer participation in decision-making is high

when new solutions are to be provided to customers

when services rather than products are to be sold to customers

when goods are to be sold to an existing customer

when products sold to customers are intangible

Which of the following is true of inside salespeople?

They spend considerable time in the customer's place of business.

They communicate with the customer face-to-face.

They are very involved in problem-solving with customers.

They typically communicate with customers by telephone or computer.

None of the answers is correct.

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?

Jennifer is a field salesperson.

Selena will be required to be more creative than Jennifer in selling the firm's product.

Selena has better communication skills than Jennifer.

Jennifer is more agile than Selena.

Selena is a manufacturers' agent.

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

laptops for students

horse trailers

management consulting services

office supplies to existing customers

restaurant tablecloths

Vincent spends very little time explaining the features of a product to a customer. His colleagues state that salespeople need to be creative 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?

Vincent is selling to existing customers.

Vincent's customers are field customers.

Vincent is a senior salesperson.

Vincent is selling a service.

Vincent is selling a tangible product to new customers.

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?

George is an inside salesperson.

George has a high level of emotional intelligence.

George relies on team selling rather than selling alone.

George is a creative salesperson.

George specializes in internal selling.

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

Emotional intelligence

Adaptive learning

Environmental awareness

Generative learning

Behavioral intelligence

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

emotional intelligence.

adaptive learning.

environmental awareness.

generative learning.

behavioral intelligence.

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

Emotional intelligence

Agility

Creativity

Optimism

Empathy

Most of the skills required to be a successful salesperson

are associated with intellectual achievement.

can be learned.

are the focus of six sigma selling programs.

create a value proposition.

are skills that people are born with and cannot be learned.

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

wants a nine-to-five job

wants to work in an office

is not motivated by financial rewards

likes independence and is willing to take responsibility

does not like to take responsibility

Salespeople are like entrepreneurs because

they do not have to invest in themselves.

integrated marketing communications eliminate investment risks.

manufacturers trust salespeople to be corporate-centric.

of the unusual freedom and flexibility in doing their jobs.

they have to spend a lot of time in a structured work environment.

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

planning for the sales call

explaining the benefits of the product to customers

searching for prospective customers

building partnering relationships with customers after the completion of a sale

calculating the customer lifetime value of customers

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

making the sales call

demonstrating the various features and benefits of the product to customers

obtaining commitment from customers to purchase the product

building partnering relationships with customers after the completion of a sale

prospecting for new customers

What is customer lifetime value?

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

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

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?

What are six sigma selling programs?

What do distributor salespeople do?

Who are manufacturers' agents?

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

What sales situations require high creativity?

Describe the personality profile of the ideal salesperson.

How is being customer-centric different from the stereotypical image of salespeople?

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

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

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

Why do many organizations use integrated marketing communications?

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

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

What six factors are used to describe sales jobs?

How do field salespeople differ from inside salespeople?

List the four aspects of emotional intelligence.

Which of the following is a unique feature of a salesperson with a Nobel Sales Purpose (NSP) mentality?

They focus on closing as many deals as possible and aim to reduce errors introduced by the selling system to zero.

They prioritize achieving personal sales targets over customer satisfaction.

They focus their energy on the long-term customer impact and view the product as a way to positively impact the customer.

They emphasize short-term sales tactics over building long-term relationships.

They view sales as a transactional exchange rather than a consultative process.

What is the process of meeting prospects and developing relationships with them online known as?

Personal selling

Virtual selling

Independent selling

AI selling

Social selling

Which term refers to salespeople who secure new customers and spend most of their time generating leads and prospecting?

Farmers

Gatherers

Hunters

Stars

Aggressors

Why are salespeople who sell to existing customers called farmers?

Because they focus on quickly closing high-value deals with new customers

Because they focus on cultivating and growing relationships with existing customers for long-term returns

Because they specialize in aggressive cold calling to acquire new high-value clients

Because they primarily engage in managing customer complaints and issues rather than selling to customers

Because they are responsible for introducing new products to the market through social marketing efforts

A salesperson at a retail store earns a basic salary each month. In addition, they earn a commission. If the salesperson generates significant sales during the month, how would you describe their total earnings in terms of bonus and commission?

Total earnings will consist of a bonus based on their performance and commission based on salary.

Total earnings will consist of a bonus based on their performance and commission as a percentage of total sales.

Total earnings will consist of a bonus as a fixed amount and a commission based on flat-rate earnings.

Total earnings will consist of a bonus paid annually and a commission based on an hourly rate.

Total earnings will consist of a bonus paid on quarterly performance and commission as a one-time payout.

Answer Key

Test name: Ch1_Selling: Building Partnerships_11e

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Short Answer

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