

Chapter 02

The Process of Selling and Buying

True / False Questions

1. The move from transactional selling to relationship selling necessitates rethinking performance evaluation.
True False

2. For most professional salespeople, it is the simplicity and lack of challenge of their jobs that motivate them.
True False

3. Freedom of action and opportunities for personal initiative are things most salespeople fear.
True False

4. Successful salespeople naturally make successful sales managers.
True False

5. On average, salespeople still spend more time selling than in the performance of non-selling activities.
True False

6. In recent years, the average cost of making a sales call has declined.
True False

7. Most salespeople are employed in various kinds of retail selling.
True False

8. Missionary salespeople often do not take orders from customers directly but persuade customers to buy their firm's product from distributors or wholesalers.

True False

9. The first step in the selling process is to qualify prospects.

True False

10. A company that includes a toll-free phone number in its advertisements and asks customers to call the number to find out more about a specific product is using outbound telemarketing as a prospecting tool.

True False

11. A salesperson is engaged in closing when he asks the customer, "Would you like your new dishwasher installed on Tuesday or Wednesday?"

True False

12. In terms of the buying center, an employee at a daycare center who realized that babies were getting sick because the center did not use an antibacterial cleaner on all of its wood and plastic surfaces would be both a user and an initiator.

True False

13. The first step of the organizational buying process is anticipation or recognition of a need or problem.

True False

14. The buying center tends to be more complex when dealing with a straight rebuy situation.

True False

Multiple Choice Questions

15. Which of the following is NOT one of the six drivers of change identified in reinventing sales organizations?

- A. Building long-term relationships with customers
- B. Creating sales organizational structures that are more nimble and adaptable to the needs of different customer groups
- C. Shifting sales management style from commanding to coaching
- D. Organizing sales teams into regional office structures
- E. Better integrating salesperson performance evaluation

16. Rick, sales manager for an automobile dealership, encourages his sales force to identify and manage their assigned customer relationships. Rick is responding to the _____ driver of change in today's selling environment.

- A. Building long-term relationships with customers
- B. Creating sales organizational structures that are more nimble and adaptable to the needs of different customer groups
- C. Shifting sales management style from commanding to coaching
- D. Gaining greater job ownership and commitment from salespeople
- E. Better integrating salesperson performance evaluation

17. Which driver of change in the selling environment recognizes that sales managers are often guilty of blocking successful relationship selling?

- A. Building long-term relationships with customers
- B. Creating sales organizational structures that are more nimble and adaptable to the needs of different customer groups
- C. Shifting sales management style from commanding to coaching
- D. Gaining greater job ownership and commitment from salespeople
- E. Better integrating salesperson performance evaluation

18. In today's rapidly changing selling environment, sellers

- A. Are sought to provide solutions in addition to the products and services they sell
- B. Are required to prove they provide best practices
- C. Differentiate themselves by the sophistication of the technology they know how to use
- D. Focus on the profitability of each sale
- E. All of the above

19. The freedom of action and opportunities for personal initiative in a sales job refers to

- A. Monotony
- B. Autonomy
- C. Sales activities
- D. Variety
- E. None of the above

20. Opportunities for rewards in a sales job include

- A. Intrinsic rewards
- B. Extrinsic rewards
- C. Both
- D. Neither

21. Which of the following may be part of working conditions for a person in sales?

- A. Work-family conflict
- B. Telecommuting
- C. Virtual office
- D. None of the above
- E. All of the above

22. The stereotypical image of a salesperson working his/her customers "on a smile and a shoeshine" came from

- A. *WKRP in Cincinnati*
- B. *Glengary Glen Ross*
- C. *Death of a Salesman*
- D. *Boiler Room*
- E. All of the above

23. Images of salespeople personified by Willie Loman and Herb Tarleck

- A. Exaggerate the benefits of being in sales
- B. Are not totally undeserved
- C. Stimulate interest in sales positions
- D. Show how technology can change sales dynamics
- E. All of the above

24. Salespeople hired right out of college

- A. Are usually required to work in the office
- B. Tend to start at higher salaries than most other professions
- C. Prefer retail clerk positions
- D. Have little autonomy
- E. All of the above

25. Fiona, a new sales rep for a pharmaceutical company, has considerable autonomy. She makes her own schedule, determining which customers to see and how often but, she knows her supervisor is keeping close tabs on

- A. Travel time
- B. Where she is
- C. Results
- D. Sample inventory
- E. All of the above

26. The fact that most customers have different needs and problems forcing salespeople to work to develop unique solutions creates _____ in sales careers.

- A. Autonomy
- B. Job variety
- C. Extrinsic rewards
- D. Favorable working conditions
- E. Opportunities to move up the organizational ladder

27. The increasing use of communication technology is changing the _____ aspect of sales positions.

- A. Work-family conflict
- B. Job variety
- C. Extrinsic rewards
- D. Advance opportunities
- E. Opportunities to move up the organizational ladder

28. Which of the following is NOT one of the attractive aspects of selling careers?

- A. Freedom of action and opportunities for personal initiative
- B. Good opportunities for career development
- C. Financial rewards
- D. Demanding working conditions
- E. Variety of challenges

29. Betty, the top salesperson for the company, was offered but turned down a promotion to sales manager. Betty probably turned down the position because

- A. Salespeople do not always make good sales managers
- B. She preferred selling
- C. She can make more money selling
- D. Managerial positions are often being down-sized
- E. All of the above

30. Serena is a top salesperson in her company. Her long-term goal is to become CEO. She knows one possible career track is to become a sales manager. The other next-step-option would likely be to become:

- A. Finance manager
- B. Brand manager
- C. Personnel director
- D. Executive account sales representative
- E. Production manager

31. In a survey of sales managers, the highest rated success factor was

- A. Creativity
- B. Diligence
- C. Assertiveness
- D. Listening skills
- E. Prospecting skills

32. Which of the following is NOT one of the top ten success factors in selling?

- A. Closing skills
- B. Writing skills
- C. Follow-up skills
- D. Listening skills
- E. Tenacity

33. Jami, a sales rep for an industrial products company, took over a territory from another salesperson, who had infuriated an important customer. Jami called on that customer regularly for two years, never asking for business. Finally, the customer asked him to bid a job. Jami showed the _____ selling skill.

- A. Closing
- B. Writing
- C. Follow-up
- D. Listening
- E. Tenacity

34. Leah, an account salesperson with a billboard advertising company, knew an important customer wanted particular billboards in her territory. Two years later, when the billboards finally became available, she called the customer and got the sale. Leah showed the _____ selling skill.

- A. Closing
- B. Writing
- C. Follow-up
- D. Listening
- E. Tenacity

35. After beginning a sales presentation, Henriette realizes the prospect already knows much of what she is presenting. She decides to skip a large part of her presentation and moves to a comparison of her company's products to competing products. Henriette showed the _____ selling skill.

- A. Closing
- B. Adaptive
- C. Follow-up
- D. Listening
- E. Overcoming objections

36. A sales person with the primary responsibility to increase business from current and potential customers by providing them with merchandising and promotional assistance is known as a

- A. Trade service
- B. Missionary seller
- C. Technical seller
- D. New business seller
- E. None of the above

37. Studies of the activities of salespeople show that, over the last decade,

- A. The cost of a sales call has declined
- B. Job enlargement had occurred
- C. Administrative tasks have been reduced through technology
- D. Time with customers has increased
- E. All of the above

38. One of the major reasons why the average cost of a sales call has risen dramatically in recent years is:

- A. Inflation
- B. The high cost of labor
- C. The high cost of new product introduction
- D. Market globalization
- E. The increasing involvement of sales reps in non-selling activities

39. The increasing involvement of salespeople in _____ is one major reason why the average cost of a sales call has risen.

- A. Prospecting
- B. Telemarketing
- C. Virtual office procedures
- D. Non-selling activities
- E. None of the above. The average cost of a sales call has declined

40. Most salespeople are involved in:

- A. Key account management
- B. Selling to middlemen
- C. Providing after-sale service
- D. Retail selling
- E. Selling to manufacturers and service providers

41. Selling in B2B markets involves sales to:

- A. Resellers, consumers, and institutions
- B. Resellers, business users, and institutions
- C. Consumers, business users, and institutions
- D. Resellers, business users, and consumers
- E. None of the above

42. Which of the following is one of the characteristics that generally distinguishes B2B sales from B2C sales?

- A. B2C customers tend to be larger
- B. B2B customers tend to engage in extensive decision-making processes
- C. B2C markets tend to involve more expensive items
- D. B2C markets tend to involve many people in the purchase decision
- E. All of the above

43. In 1999, salespeople for the Choctaw Casino Resort Group, with six hotels less than two years old, had tremendous success marketing the facilities to fraternal organizations throughout the Southeast. Prior to the 1999 effort by its salespeople, few meeting planners were aware of the meeting facilities that the resort hotels had and how its hotels were designed to provide all of the services needed for a successful meeting. The Choctaw Casino Resort Group salespeople exemplify _____ salespeople.

- A. New business
- B. Trade
- C. Missionary
- D. Technical
- E. Key account

44. XcelleNet provides software for companies that have a remote, mobile workforce. Its salespeople provide its new and potential customers with all the support and help needed to implement a system that is best suited to their particular needs—including, but not limited to redesigning the software. XcelleNet salespeople would be best classified as _____ salespeople.

- A. New business
- B. Trade
- C. Missionary
- D. Technical
- E. Key account

45. A salesperson engaged in cold canvassing would be:

- A. Determining if a potential customer had the resources with which to buy
- B. Engaged in telemarketing
- C. Prospecting for potential customers using a mass marketing approach
- D. Defining target markets
- E. Selling industrial products to employees who were not members of the buying center

46. In the stages of the selling process generally, what three efforts should be made BEFORE presenting the sales message?

- A. Servicing, qualifying and closing the sale
- B. Prospecting, servicing and opening the relationship
- C. Prospecting, opening the relationship and qualifying
- D. Opening the relationship, closing the sale and servicing the account
- E. The only effort needed is prospecting

47. Artis Moore owns a small company that details cars. He is trying to sell his services to a company that rents cars and vans. As he talks to the rental company owner who makes all purchasing decisions, Moore is trying to convince her that his detail services will benefit the company. He is also endeavoring to show how it is more efficient to outsource the cleaning of the cars rather than do it in-house. As Moore talks about the benefits, he is trying to make sure that the job will add to the profitability of the detailing business before he commits himself to a contract. Moore is engaged in:

- A. Closing the sale
- B. Prospecting for a customer
- C. Servicing the account
- D. Qualifying the prospect
- E. Presenting a need-satisfaction approach

48. In which of the following stages of the selling process is a company's credit and collections department most likely to be heavily involved?

- A. Closing the sale
- B. Prospecting for a customer
- C. Servicing the account
- D. Qualifying the prospect
- E. The sales presentation

49. _____ is the core of the selling process.

- A. Closing the sale
- B. Prospecting for a customer
- C. Servicing the account
- D. Qualifying the prospect
- E. The sales presentation

50. For which of the following products would a salesperson be most likely to use a demonstration during her sales presentation?

- A. An adjustable staple gun that can be used on every type of material from paper to cement
- B. Coal
- C. Paper napkins
- D. Ceramic tile
- E. Antique lace to be used for the making of one-of-a-kind bridal veils

51. Which of the following statements about the sales presentation as a stage in the selling process is true?

- A. An efficient sales presentation should not be presented to just one individual within the buying center
- B. Very low-key selling should be used when the salesperson is expected to provide a great deal of technical information and advice
- C. Salespeople should not use demonstrations during the presentation unless they want to lose the attention of the prospect
- D. Sales presentations are a unique part of the organization and do not have to be consistent with other organizational policies
- E. None of the above statements about sales presentations is true

52. Which of the following questions would be most likely asked when closing a sale?

- A. Mr. Customer, can I have a few minutes of your time to show you a new way to keep track of your inventory?
- B. Should we include your company's production vice-president in these discussions about a new assembly line configuration?
- C. Who in your company has the authority to make a buying decision?
- D. Can I have an appointment next Tuesday or Wednesday?
- E. Would you like to have that office desk in maple or cherry wood?

53. The term buying center refers to:

- A. The sales department that engages in team selling
- B. All people who are actually employed by a company and who can impact the buying decision
- C. Any employee who has the potential for impacting the selling process
- D. Any employee who has the potential for impacting the buying process
- E. All the people who participate in buying a product or service

Bob Neal and Jon Smelky own a large cabinet-making company in Alabama. Their CPA advised them that they needed to develop another source of income as well as increase the efficiency of the organization if they wanted to continue making a profit. Neal's wife overheard this conversation and suggested the men do something with the wood wastes that the cabinet-making process produces. Shortly after Neal attended a trade show where he learned that the company's discarded wood slabs could be used to build wooden pallets. The company would need to invest about \$45,000 as startup costs. Meanwhile, Smelky investigated the possibility of turning their wood scraps into mulch and selling it to a gardening supply wholesaler. Costs for this project were estimated at about \$33,000. Neal and Smelky met with their three crew supervisors to see which method they should adopt. The crew supervisors voted for pallet making. Neal and Smelky began looking for a supplier.

54. What was the role of the company's CPA in the decision to buy the pallet-making equipment?

- A. Decider, initiator and gatekeeper
- B. Decider, user, influencer and gatekeeper
- C. Decider and controller
- D. Gatekeeper, influencer, decider and controller
- E. Initiator and controller

55. Did Neal's wife participate in the buying process?

- A. Yes, she was an initiator
- B. Yes, she acted as a gatekeeper
- C. Yes, she was an influencer
- D. Yes, she has the role of controller
- E. No, she was not an active participant in the buying process

56. The salesperson at the trade show who convinced Neal that pallet-making was a practical use of his company's waste wood is an example of a(n):

- A. Initiator
- B. Influencer
- C. Gatekeeper
- D. Decider
- E. Controller

57. What role did the three crew supervisors play in the decision to buy pallet-making equipment?

- A. Gatekeeper, influencer and decider
- B. User, influencer, gatekeeper and initiator
- C. Decider, influencer and buyer
- D. User and influencer
- E. Buyer, user, decider and influencer

58. What role did Neal and Smelky play in the buying process?

- A. Initiator, influencer and buyer
- B. Decider, user, initiator and influencer
- C. User, influencer, gatekeeper, buyer and decider
- D. Controller and initiator
- E. Gatekeeper, initiator, buyer, decider and influencer

59. Roland is putting together a selling center for his company. He will likely include

- A. Customers, salespeople and HR people
- B. Marketing, customer service and engineering people
- C. Senior executives, sales managers and sales reps
- D. Production staff, ad agency personnel and customers
- E. All of the above people would be included in a selling center

60. Your university puts together a team including faculty, admissions staff, development personnel, financial aid and others to collectively sell the university. In a business, this team might be called a

- A. Matrix organization
- B. Prospecting analysis committee
- C. Solutions committee
- D. Student assessment team
- E. Risk analysis organization

61. The salesperson for a new streak-free window cleaner made a sales call on a janitorial service. The owner of the janitorial service was unaware of the product, so the salesperson had to begin her presentation by getting the service owner to

- A. Analyze product specifications for a window cleaner
- B. Recognize a need for a streak-free window cleaner
- C. Perform an evaluation on how the cleaner worked at job sites
- D. Search for potential suppliers of similar cleaners
- E. Determine how many cases of window cleaner the company uses monthly

62. When recycling wood from demolition lumber, recyclers use a magnetized conveyor belt system. One of the leading manufacturers of such a system is Mastermag. Mastermag sales increase when the market price for recycled iron increases and decrease when the market price for recycled iron declines. The demand for the Mastermag magnetic system is:

- A. Tangible
- B. Inelastic
- C. Homogeneous
- D. Derived
- E. Static

63. During which stage of the buying process is the buying center most likely to be involved?

- A. The evaluation of offerings and selection of suppliers
- B. The selection of an order routine
- C. The acquisition of proposals and bids
- D. Anticipation or recognition of a problem or need
- E. Search for and qualification for potential suppliers

64. For which of the following products or services is an organization most likely to perform all of the steps in the buying decision?

- A. A replacement microwave for a snack bar at the community center
- B. A meeting site for the first international conference for Internet retailers
- C. A gross of markers for company message boards
- D. A case of replacement fan belts for an OEM
- E. Electricity

65. Which of the following is the best example of a straight rebuy?
- A. The purchase of 5,000 mildew-resistant shower curtains for a hotel chain
 - B. The selection of a site to hold the first company-wide seminar on employee rights
 - C. The renewal of a subscription to a trade journal
 - D. The purchase of a school bus for carrying special education students
 - E. The selection of a menu for a \$1,000 a plate fund raising banquet for a new geriatric hospital wing

Short Answer Questions

66. What are the stereotypical images of salespeople?

67. Outline why people go into sales careers.

68. Outline the two possible career tracks for salespeople wanting to become CEOs.

69. What are the four types of B2B selling?

70. How are B2B sales generally different from B2C sales?

71. Describe the six stages of the selling process.

72. What are the roles of different participants in the buying center?

73. What type of customer is often referred to as a "key account"?

74. What are the seven stages in the buying process?

75. What is the major objective of an out supplier?

76. What are the six critical drivers of change affecting today's selling environment?

77. What are the advantages and disadvantages of sales careers?

78. List and describe any five of the top ten success factors for professional salespeople described in the text.

79. What is another name for business-to-business selling? What three types of markets are involved in B2B selling?

80. What are the seven stages of the organizational buying decision process and what are the implications for sales people at each stage?

Chapter 02 The Process of Selling and Buying **Answer Key**

True / False Questions

1. (p. 32) The move from transactional selling to relationship selling necessitates rethinking performance evaluation.

TRUE

2. (p. 34) For most professional salespeople, it is the simplicity and lack of challenge of their jobs that motivate them.

FALSE

3. (p. 34) Freedom of action and opportunities for personal initiative are things most salespeople fear.

FALSE

4. (p. 38) Successful salespeople naturally make successful sales managers.

FALSE

5. (p. 45) On average, salespeople still spend more time selling than in the performance of non-selling activities.

FALSE

6. (p. 43) In recent years, the average cost of making a sales call has declined.

FALSE

7. (p. 45) Most salespeople are employed in various kinds of retail selling.

TRUE

8. (p. 46) Missionary salespeople often do not take orders from customers directly but persuade customers to buy their firm's product from distributors or wholesalers.

TRUE

9. (p. 46) The first step in the selling process is to qualify prospects.

FALSE

10. (p. 48) A company that includes a toll-free phone number in its advertisements and asks customers to call the number to find out more about a specific product is using outbound telemarketing as a prospecting tool.

FALSE

11. (p. 50) A salesperson is engaged in closing when he asks the customer, "Would you like your new dishwasher installed on Tuesday or Wednesday?"

TRUE

12. (p. 52) In terms of the buying center, an employee at a daycare center who realized that babies were getting sick because the center did not use an antibacterial cleaner on all of its wood and plastic surfaces would be both a user and an initiator.

TRUE

13. (p. 54) The first step of the organizational buying process is anticipation or recognition of a need or problem.

TRUE

14. (p. 58) The buying center tends to be more complex when dealing with a straight rebuy situation.

FALSE

Multiple Choice Questions

15. (p. 32) Which of the following is NOT one of the six drivers of change identified in reinventing sales organizations?

- A. Building long-term relationships with customers
- B. Creating sales organizational structures that are more nimble and adaptable to the needs of different customer groups
- C. Shifting sales management style from commanding to coaching
- D.** Organizing sales teams into regional office structures
- E. Better integrating salesperson performance evaluation

16. (p. 32) Rick, sales manager for an automobile dealership, encourages his sales force to identify and manage their assigned customer relationships. Rick is responding to the _____ driver of change in today's selling environment.

- A. Building long-term relationships with customers
- B. Creating sales organizational structures that are more nimble and adaptable to the needs of different customer groups
- C. Shifting sales management style from commanding to coaching
- D.** Gaining greater job ownership and commitment from salespeople
- E. Better integrating salesperson performance evaluation

17. (p. 32) Which driver of change in the selling environment recognizes that sales managers are often guilty of blocking successful relationship selling?

- A. Building long-term relationships with customers
- B. Creating sales organizational structures that are more nimble and adaptable to the needs of different customer groups
- C.** Shifting sales management style from commanding to coaching
- D. Gaining greater job ownership and commitment from salespeople
- E. Better integrating salesperson performance evaluation

18. (p. 35) In today's rapidly changing selling environment, sellers
- A. Are sought to provide solutions in addition to the products and services they sell
 - B. Are required to prove they provide best practices
 - C. Differentiate themselves by the sophistication of the technology they know how to use
 - D. Focus on the profitability of each sale
 - E. All of the above

19. (p. 34) The freedom of action and opportunities for personal initiative in a sales job refers to
- A. Monotony
 - B. Autonomy
 - C. Sales activities
 - D. Variety
 - E. None of the above

20. (p. 35) Opportunities for rewards in a sales job include
- A. Intrinsic rewards
 - B. Extrinsic rewards
 - C. Both
 - D. Neither

21. (p. 36) Which of the following may be part of working conditions for a person in sales?
- A. Work-family conflict
 - B. Telecommuting
 - C. Virtual office
 - D. None of the above
 - E. All of the above

22. (p. 33) The stereotypical image of a salesperson working his/her customers "on a smile and a shoeshine" came from

A. *WKRP in Cincinnati*

B. *Glengary Glen Ross*

C. *Death of a Salesman*

D. *Boiler Room*

E. All of the above

23. (p. 34) Images of salespeople personified by Willie Loman and Herb Tarleck

- A. Exaggerate the benefits of being in sales
- B. Are not totally undeserved**
- C. Stimulate interest in sales positions
- D. Show how technology can change sales dynamics
- E. All of the above

24. (p. 34) Salespeople hired right out of college

- A. Are usually required to work in the office
- B. Tend to start at higher salaries than most other professions**
- C. Prefer retail clerk positions
- D. Have little autonomy
- E. All of the above

25. (p. 35) Fiona, a new sales rep for a pharmaceutical company, has considerable autonomy. She makes her own schedule, determining which customers to see and how often but, she knows her supervisor is keeping close tabs on

- A. Travel time
- B. Where she is
- C. Results**
- D. Sample inventory
- E. All of the above

26. (p. 35) The fact that most customers have different needs and problems forcing salespeople to work to develop unique solutions creates _____ in sales careers.

- A. Autonomy
- B. Job variety**
- C. Extrinsic rewards
- D. Favorable working conditions
- E. Opportunities to move up the organizational ladder

27. (p. 36) The increasing use of communication technology is changing the _____ aspect of sales positions.

- A.** Work-family conflict
- B. Job variety
- C. Extrinsic rewards
- D. Advance opportunities
- E. Opportunities to move up the organizational ladder

28. (p. 34-35) Which of the following is NOT one of the attractive aspects of selling careers?

- A. Freedom of action and opportunities for personal initiative
- B. Good opportunities for career development
- C. Financial rewards
- D.** Demanding working conditions
- E. Variety of challenges

29. (p. 38) Betty, the top salesperson for the company, was offered but turned down a promotion to sales manager. Betty probably turned down the position because

- A. Salespeople do not always make good sales managers
- B. She preferred selling
- C. She can make more money selling
- D. Managerial positions are often being down-sized
- E.** All of the above

30. (p. 39) Serena is a top salesperson in her company. Her long-term goal is to become CEO. She knows one possible career track is to become a sales manager. The other next-step-option would likely be to become:

- A. Finance manager
- B.** Brand manager
- C. Personnel director
- D. Executive account sales representative
- E. Production manager

31. (p. 39) In a survey of sales managers, the highest rated success factor was

- A. Creativity
- B. Diligence
- C. Assertiveness
- D.** Listening skills
- E. Prospecting skills

32. (p. 40) Which of the following is NOT one of the top ten success factors in selling?

- A. Closing skills
- B.** Writing skills
- C. Follow-up skills
- D. Listening skills
- E. Tenacity

33. (p. 40) Jami, a sales rep for an industrial products company, took over a territory from another salesperson, who had infuriated an important customer. Jami called on that customer regularly for two years, never asking for business. Finally, the customer asked him to bid a job. Jami showed the _____ selling skill.

- A. Closing
- B. Writing
- C. Follow-up
- D. Listening
- E.** Tenacity

34. (p. 40) Leah, an account salesperson with a billboard advertising company, knew an important customer wanted particular billboards in her territory. Two years later, when the billboards finally became available, she called the customer and got the sale. Leah showed the _____ selling skill.

- A. Closing
- B. Writing
- C.** Follow-up
- D. Listening
- E. Tenacity

35. (p. 40) After beginning a sales presentation, Henriette realizes the prospect already knows much of what she is presenting. She decides to skip a large part of her presentation and moves to a comparison of her company's products to competing products. Henriette showed the _____ selling skill.

- A. Closing
- B.** Adaptive
- C. Follow-up
- D. Listening
- E. Overcoming objections

36. (p. 46) A sales person with the primary responsibility to increase business from current and potential customers by providing them with merchandising and promotional assistance is known as a

- A.** Trade service
- B. Missionary seller
- C. Technical seller
- D. New business seller
- E. None of the above

37. (p. 42) Studies of the activities of salespeople show that, over the last decade,

- A. The cost of a sales call has declined
- B.** Job enlargement had occurred
- C. Administrative tasks have been reduced through technology
- D. Time with customers has increased
- E. All of the above

38. (p. 43) One of the major reasons why the average cost of a sales call has risen dramatically in recent years is:

- A. Inflation
- B. The high cost of labor
- C. The high cost of new product introduction
- D. Market globalization
- E.** The increasing involvement of sales reps in non-selling activities

39. (p. 43) The increasing involvement of salespeople in _____ is one major reason why the average cost of a sales call has risen.

- A. Prospecting
- B. Telemarketing
- C. Virtual office procedures
- D.** Non-selling activities
- E. None of the above. The average cost of a sales call has declined

40. (p. 45) Most salespeople are involved in:

- A. Key account management
- B. Selling to middlemen
- C. Providing after-sale service
- D.** Retail selling
- E. Selling to manufacturers and service providers

41. (p. 45) Selling in B2B markets involves sales to:

- A. Resellers, consumers, and institutions
- B.** Resellers, business users, and institutions
- C. Consumers, business users, and institutions
- D. Resellers, business users, and consumers
- E. None of the above

42. (p. 45) Which of the following is one of the characteristics that generally distinguishes B2B sales from B2C sales?

- A. B2C customers tend to be larger
- B.** B2B customers tend to engage in extensive decision-making processes
- C. B2C markets tend to involve more expensive items
- D. B2C markets tend to involve many people in the purchase decision
- E. All of the above

43. (p. 46) In 1999, salespeople for the Choctaw Casino Resort Group, with six hotels less than two years old, had tremendous success marketing the facilities to fraternal organizations throughout the Southeast. Prior to the 1999 effort by its salespeople, few meeting planners were aware of the meeting facilities that the resort hotels had and how its hotels were designed to provide all of the services needed for a successful meeting. The Choctaw Casino Resort Group salespeople exemplify _____ salespeople.

- A. New business
- B. Trade
- C. Missionary
- D. Technical
- E. Key account

44. (p. 46) XcelleNet provides software for companies that have a remote, mobile workforce. Its salespeople provide its new and potential customers with all the support and help needed to implement a system that is best suited to their particular needs—including, but not limited to redesigning the software. XcelleNet salespeople would be best classified as _____ salespeople.

- A. New business
- B. Trade
- C. Missionary
- D. Technical
- E. Key account

45. (p. 47) A salesperson engaged in cold canvassing would be:

- A. Determining if a potential customer had the resources with which to buy
- B. Engaged in telemarketing
- C. Prospecting for potential customers using a mass marketing approach
- D. Defining target markets
- E. Selling industrial products to employees who were not members of the buying center

46. (p. 47) In the stages of the selling process generally, what three efforts should be made BEFORE presenting the sales message?

- A. Servicing, qualifying and closing the sale
- B. Prospecting, servicing and opening the relationship
- C. Prospecting, opening the relationship and qualifying**
- D. Opening the relationship, closing the sale and servicing the account
- E. The only effort needed is prospecting

47. (p. 49) Artis Moore owns a small company that details cars. He is trying to sell his services to a company that rents cars and vans. As he talks to the rental company owner who makes all purchasing decisions, Moore is trying to convince her that his detail services will benefit the company. He is also endeavoring to show how it is more efficient to outsource the cleaning of the cars rather than do it in-house. As Moore talks about the benefits, he is trying to make sure that the job will add to the profitability of the detailing business before he commits himself to a contract. Moore is engaged in:

- A. Closing the sale
- B. Prospecting for a customer
- C. Servicing the account
- D. Qualifying the prospect**
- E. Presenting a need-satisfaction approach

48. (p. 49) In which of the following stages of the selling process is a company's credit and collections department most likely to be heavily involved?

- A. Closing the sale
- B. Prospecting for a customer
- C. Servicing the account
- D. Qualifying the prospect**
- E. The sales presentation

49. (p. 49) _____ is the core of the selling process.

- A. Closing the sale
- B. Prospecting for a customer
- C. Servicing the account
- D. Qualifying the prospect
- E. The sales presentation**

50. (p. 50) For which of the following products would a salesperson be most likely to use a demonstration during her sales presentation?

- A. An adjustable staple gun that can be used on every type of material from paper to cement
- B. Coal
- C. Paper napkins
- D. Ceramic tile
- E. Antique lace to be used for the making of one-of-a-kind bridal veils

51. (p. 50) Which of the following statements about the sales presentation as a stage in the selling process is true?

- A. An efficient sales presentation should not be presented to just one individual within the buying center
- B. Very low-key selling should be used when the salesperson is expected to provide a great deal of technical information and advice
- C. Salespeople should not use demonstrations during the presentation unless they want to lose the attention of the prospect
- D. Sales presentations are a unique part of the organization and do not have to be consistent with other organizational policies
- E. None of the above statements about sales presentations is true

52. (p. 50) Which of the following questions would be most likely asked when closing a sale?

- A. Mr. Customer, can I have a few minutes of your time to show you a new way to keep track of your inventory?
- B. Should we include your company's production vice-president in these discussions about a new assembly line configuration?
- C. Who in your company has the authority to make a buying decision?
- D. Can I have an appointment next Tuesday or Wednesday?
- E. Would you like to have that office desk in maple or cherry wood?

53. (p. 52) The term buying center refers to:

- A. The sales department that engages in team selling
- B. All people who are actually employed by a company and who can impact the buying decision
- C. Any employee who has the potential for impacting the selling process
- D. Any employee who has the potential for impacting the buying process
- E. All the people who participate in buying a product or service

Bob Neal and Jon Smelky own a large cabinet-making company in Alabama. Their CPA advised them that they needed to develop another source of income as well as increase the efficiency of the organization if they wanted to continue making a profit. Neal's wife overheard this conversation and suggested the men do something with the wood wastes that the cabinet-making process produces. Shortly after Neal attended a trade show where he learned that the company's discarded wood slabs could be used to build wooden pallets. The company would need to invest about \$45,000 as startup costs. Meanwhile, Smelky investigated the possibility of turning their wood scraps into mulch and selling it to a gardening supply wholesaler. Costs for this project were estimated at about \$33,000. Neal and Smelky met with their three crew supervisors to see which method they should adopt. The crew supervisors voted for pallet making. Neal and Smelky began looking for a supplier.

54. (p. 52-53) What was the role of the company's CPA in the decision to buy the pallet-making equipment?

- A. Decider, initiator and gatekeeper
- B. Decider, user, influencer and gatekeeper
- C. Decider and controller
- D. Gatekeeper, influencer, decider and controller
- E.** Initiator and controller

55. (p. 52-53) Did Neal's wife participate in the buying process?

- A.** Yes, she was an initiator
- B. Yes, she acted as a gatekeeper
- C. Yes, she was an influencer
- D. Yes, she has the role of controller
- E. No, she was not an active participant in the buying process

56. (p. 52-53) The salesperson at the trade show who convinced Neal that pallet-making was a practical use of his company's waste wood is an example of a(n):

- A. Initiator
- B.** Influencer
- C. Gatekeeper
- D. Decider
- E. Controller

57. (p. 52-53) What role did the three crew supervisors play in the decision to buy pallet-making equipment?

- A. Gatekeeper, influencer and decider
- B. User, influencer, gatekeeper and initiator
- C. Decider, influencer and buyer
- D.** User and influencer
- E. Buyer, user, decider and influencer

58. (p. 52-53) What role did Neal and Smelky play in the buying process?

- A. Initiator, influencer and buyer
- B. Decider, user, initiator and influencer
- C.** User, influencer, gatekeeper, buyer and decider
- D. Controller and initiator
- E. Gatekeeper, initiator, buyer, decider and influencer

59. (p. 53) Roland is putting together a selling center for his company. He will likely include

- A. Customers, salespeople and HR people
- B.** Marketing, customer service and engineering people
- C. Senior executives, sales managers and sales reps
- D. Production staff, ad agency personnel and customers
- E. All of the above people would be included in a selling center

60. (p. 54) Your university puts together a team including faculty, admissions staff, development personnel, financial aid and others to collectively sell the university. In a business, this team might be called a

- A.** Matrix organization
- B. Prospecting analysis committee
- C. Solutions committee
- D. Student assessment team
- E. Risk analysis organization

61. (p. 55-56) The salesperson for a new streak-free window cleaner made a sales call on a janitorial service. The owner of the janitorial service was unaware of the product, so the salesperson had to begin her presentation by getting the service owner to

- A. Analyze product specifications for a window cleaner
- B. Recognize a need for a streak-free window cleaner**
- C. Perform an evaluation on how the cleaner worked at job sites
- D. Search for potential suppliers of similar cleaners
- E. Determine how many cases of window cleaner the company uses monthly

62. (p. 55) When recycling wood from demolition lumber, recyclers use a magnetized conveyor belt system. One of the leading manufacturers of such a system is Mastermag. Mastermag sales increase when the market price for recycled iron increases and decrease when the market price for recycled iron declines. The demand for the Mastermag magnetic system is:

- A. Tangible
- B. Inelastic
- C. Homogeneous
- D. Derived**
- E. Static

63. (p. 56) During which stage of the buying process is the buying center most likely to be involved?

- A. The evaluation of offerings and selection of suppliers**
- B. The selection of an order routine
- C. The acquisition of proposals and bids
- D. Anticipation or recognition of a problem or need
- E. Search for and qualification for potential suppliers

64. (p. 58) For which of the following products or services is an organization most likely to perform all of the steps in the buying decision?

- A. A replacement microwave for a snack bar at the community center
- B. A meeting site for the first international conference for Internet retailers**
- C. A gross of markers for company message boards
- D. A case of replacement fan belts for an OEM
- E. Electricity

65. (p. 58) Which of the following is the best example of a straight rebuy?
- A. The purchase of 5,000 mildew-resistant shower curtains for a hotel chain
 - B. The selection of a site to hold the first company-wide seminar on employee rights
 - C. The renewal of a subscription to a trade journal
 - D. The purchase of a school bus for carrying special education students
 - E. The selection of a menu for a \$1,000 a plate fund raising banquet for a new geriatric hospital wing

Short Answer Questions

66. (p. 33-34) What are the stereotypical images of salespeople?

Willie Loman portrayed salespeople as fast-talking working customers on a "smile and a shoeshine". Herb Tarleck portrayed salespeople as poorly-dressed, questionable ethics, buffoon. In *Glengary Glen Ross* and *Boiler Room*, the salespeople are portrayed as fast-talking con-artists.

67. (p. 34-35) Outline why people go into sales careers.

Freedom of action and opportunities for personal initiative, good opportunities for career development, financial rewards, favorable working conditions, variety of challenges.

68. (p. 39) Outline the two possible career tracks for salespeople wanting to become CEOs.

The two possible tracks are: sales-sales manager-vice president or sales director-CEO, sales-brand manager-marketing director or vice president-CEO.

69. (p. 46) What are the four types of B2B selling?

Trade service, missionary seller, technical seller, new business seller.

70. (p. 45) How are B2B sales generally different from B2C sales?

B2B customers tend to be larger and tend to engage in extensive decision-making processes. B2B markets tend to involve more expensive items and tend to involve many people in the purchase decision.

71. (p. 47-51) Describe the six stages of the selling process.

- (1.) Prospecting for customers
- (2.) Opening the relationship
- (3.) Qualifying the prospect
- (4.) Presenting the sales message
- (5.) Closing the sale
- (6.) Servicing the account

72. (p. 52-53) What are the roles of different participants in the buying center?

The seven categories are initiators, users, influencers, gatekeepers, buyers, deciders and controllers, though some people may play multiple roles.

73. (p. 54) What type of customer is often referred to as a "key account"?

Key accounts are the very largest customers, especially those with buying centers, where the potential business over time represents enough dollars and entails enough cross-functional interaction between various areas of both firms to justify the high costs of the team selling approach. Key accounts generally have a senior salesperson assigned to them.

74. (p. 54) What are the seven stages in the buying process?

- (1.) Anticipation or recognition of a problem or need
- (2.) Determination and description of the characteristics and quantity of the needed item
- (3.) Search for and qualification of potential suppliers
- (4.) Acquisition and analysis of proposals or bids
- (5.) Evaluation of proposals and selection of suppliers
- (6.) Selection of an order routine
- (7.) Performance evaluation and feedback

75. (p. 58) What is the major objective of an out supplier?

Their objective is to move the customer away from the automatic reordering procedures of a straight rebuy toward the more extensive evaluation processes of a modified rebuy.

76. (p. 32) What are the six critical drivers of change affecting today's selling environment?

- (1.) Building long-term relationships with customers.
- (2.) Creating sales organizational structures that are more nimble and adaptable to the needs of different customer groups.
- (3.) Gaining greater job ownership and commitment from salespeople.
- (4.) Shifting sales management style from commanding to coaching.
- (5.) Leveraging available technology for sales success.
- (6.) Better integrating salesperson performance evaluation

77. (p. 34-38) What are the advantages and disadvantages of sales careers?

The advantages include:

Freedom of action and opportunities for personal initiative

Good opportunities for career development

Financial rewards

Favorable working conditions

Variety of challenges

The disadvantages include:

Stereotyping of sales careers

Travel demands

Continually changing challenges.

78. (p. 39-42) List and describe any five of the top ten success factors for professional salespeople described in the text.

The top ten success factors are:

(1.) Listening skills

(2.) Follow-up skills

(3.) Ability to adapt sales style

(4.) Tenacity

(5.) Well-organized

(6.) Verbal communication skills

(7.) Proficiency in interacting with people at all levels

(8.) Ability to overcome objections

(9.) Closing skills

(10.) Personal planning and time management skills

79. (p. 45) What is another name for business-to-business selling? What three types of markets are involved in B2B selling?

Another name for business-to-business selling is B2B. Three types of markets involved in B2b selling are: sales to resellers; sales to business users; sales to institutions, as when Dell sells a computer to a not-for-profit hospital or a government agency.

80. (p. 54-58) What are the seven stages of the organizational buying decision process and what are the implications for sales people at each stage?

The seven stages are

- (1.) Anticipation or recognition of a problem or need. For salespeople anticipating the needs or problems of customers generates opportunities.
- (2.) Determination and description of the characteristics and quantity of the needed item. At this stage salespeople need to provide customers with information.
- (3.) Search for and qualification of potential suppliers. At this stage salespeople need their product or service to be one of the choices included for evaluation.
- (4.) Acquisition and analysis of proposals or bids. At this stage the salesperson needs to provide the information requested in the format desired by the potential customer.
- (5.) Evaluation of proposals and selection of suppliers. At this stage the salesperson needs to address the priorities of buyers and be prepared to address quality, pricing, credit, delivery and other details needed for evaluation.
- (6.) Selection of an order routine. At this stage the salesperson needs to coordinate the delivery needs of the customer with the company's manufacturing schedule.
- (7.) Performance evaluation and feedback. At this stage the salesperson needs to address any problems or concerns in order to improve opportunities for additional purchases in the future.