

# Fundamentals of Selling

Customers for Life Through Service

TWELFTH EDITION

CHARLES M. FUTRELL

Texas A & M University

 **McGraw-Hill**  
**Irwin**

# BRIEF TABLE OF CONTENTS

## PART I

### Selling as a Profession 3

- 1 The Life, Times, and Career of the Professional Salesperson 4
- 2 Relationship Marketing: Where Personal Selling Fits 43
- 3 Ethics First . . . Then Customer Relationships 70

## PART II

### Preparation for Relationship Selling 109

- 4 The Psychology of Selling: Why People Buy 110
- 5 Communication for Relationship Building: It's Not All Talk 146
- 6 Sales Knowledge: Customers, Products, Technologies 180

## PART III

### The Relationship Selling Process 225

- 7 Prospecting—The Lifeblood of Selling 226
- 8 Planning the Sales Call Is a Must! 254
- 9 Carefully Select Which Sales Presentation Method to Use 277

- 10 Begin Your Presentation Strategically 303
- 11 Elements of a Great Sales Presentation 335
- 12 Welcome Your Prospect's Objections 368
- 13 Closing Begins the Relationship 404
- 14 Service and Follow-Up for Customer Retention 439

## PART IV

### Managing Yourself, Your Career, and Others 469

- 15 Time, Territory, and Self-Management: Keys to Success 470
- 16 Planning, Staffing, and Training Successful Salespeople 493
- 17 Motivation, Compensation, Leadership, and Evaluation of Salespeople 525

Appendix A: Sales Call Role-Plays 556

Appendix B: Personal Selling Experiential Exercises 566

Appendix C: Comprehensive Sales Cases 584

Appendix D: Selling Globally 601

Appendix E: Answers to Crossword Puzzles 611

Glossary of Selling Terms 617

Notes 627

Photo Credits 632

Index 634

# CONTENTS

Preface vii

## PART I

### Selling as a Profession

#### CHAPTER 1

##### The Life, Times, and Career of the Professional Salesperson 4

What Is Selling? 5

Personal Selling Today 6

How Some Salespeople Are Viewed 6

What about You? 7

A New Definition of Personal Selling 7

Think of Your Grandmother 7

The Golden Rule of Personal Selling 7

Salesperson Differences 8

Everybody Sells! 8

What Salespeople Are Paid to Do 9

Why Choose a Sales Career? 10

Service: Helping Others 10

A Variety of Sales Jobs Are Available 10

Freedom of Action: You're on Your Own 13

Job Challenge Is Always There 14

Opportunities for Advancement Are Great 14

Rewards: The Sky's the Limit 15

You Can Move Quickly into Management 16

Is a Sales Career Right for You? 16

A Sales Manager's View of the Recruit 16

Success in Selling—What Does It Take? 17

S—Success Begins with Love 18

S—Service to Others 18

U—Use the Golden Rule of Selling 18

C—Communication Ability 18

C—Characteristics for the Job 18

E—Excels at Strategic Thinking 18

S—Sales Knowledge at the M.D. Level 18

S—Stamina for the Challenge 18

C—Characteristics for the Job Examined 19

Caring, Joy, and Harmony 19

Patience, Kindness, and Moral Ethics 20

Faithful, Fair, Self-Controlled 20

Self-Control Involves Discipline 20

Do Success Characteristics Describe You? 22

Relationship Selling 22

Sales Jobs Are Different 23

What Does a Professional Salesperson Do? 24

Reflect Back 26

The Future for Salespeople 27

Learning Selling Skills 27

Preparing for the 21st Century 28

Ethical Megatrend Shaping Sales and Business 30

Selling Is for Large and Small Organizations 31

The Plan of This Textbook 31

Building Relationships through the Sales Process 31

Summary of Major Selling Issues 33

Key Terms for Selling 33

Sales Application Questions 33

Further Exploring the Sales World 34

Selling Experiential Exercise: Aerobic, Strength, and

Flexibility Exercise Guidelines 34

#### CASE

1.1 What They Didn't Teach Us in Sales Class 36

Appendix: The Golden Rule of Personal Selling as Told  
by a Salesperson 38

The Golden Rule of Selling 38

Others Includes Competitors 38

Sales Is Your Calling to Serve 38

To Serve, You Need Knowledge 39

Customers Notice Integrity 39

Personal Gain Is Not Your Goal 40

Others Come First 40

The Golden Rule Is Not 40

Corruptible It Is Not 40

Self-Serving It Is Not 41

Comprehensive It Is Not 41

Easy to Follow It Is Not 41

The Great Harvest Law of Sales 41

A Corny Example 41

The Common Denominator of Sales Success 42

The Fruits of the Selling Spirit 42

**CHAPTER 2****Relationship Marketing: Where Personal Selling Fits 43**

- What Is the Purpose of Business? 44
  - The Primary Goal of Business 44
- What Is Marketing? 44
  - Marketing's Definition 44
  - Marketing's Not Limited to Business 45
  - Exchange and Transactions 45
- Customer Orientation's Evolution 45
  - The Production Concept 45
  - The Selling Concept 46
  - The Marketing Concept 46
- Marketing's Importance in the Firm 47
  - Marketing Generates Sales 48
  - Marketing Provides Quality Customer Service 48
- Essentials of a Firm's Marketing Effort 48
  - Product: It's More Than You Think 48
  - Price: It's Important to Success 49
  - Distribution: It Has to Be Available 50
  - Promotion: You Have to Tell People about It 51
- Relationship Marketing 53
- Relationship Marketing and the Sales Force 53
  - Personal Selling Builds Relationships 53
  - Salespeople Implement Relationship Marketing 55
- Levels of Relationship Marketing 56
- Partnering with Customers 56
- The New Consultative Selling 57
  - Three Roles of Consultative Selling 57
- E-Selling: Technology and Information Build Relationships 60
- What's a Salesperson Worth? 60
- The Key to Success 62
- Summary of Major Selling Issues 63
- Key Terms for Selling 64
- Sales Application Questions 64
- Further Exploring the Sales World 64
- Selling Experiential Exercise: What Should Your Children's College Majors Be? 64

**CASE****2.1 Reynolds & Reynolds 67****CHAPTER 3****Ethics First . . . Then Customer Relationships 70**

- Social, Ethical, and Legal Influences 71
- Management's Social Responsibilities 71
  - Organizational Stakeholders 72
  - An Organization's Main Responsibilities 73
  - How to Demonstrate Social Responsibility 74

- What Influences Ethical Behavior? 75
  - The Individual's Role 75
  - The Organization's Role 76
- Are There Any Ethical Guidelines? 77
  - What Does the Research Say? 77
  - What Does One Do? 77
  - Is Your Conscience Reliable 77
  - Sources of Significant Influence 78
  - Three Guidelines for Making Ethical Decisions 78
  - Will the Golden Rule Help? 79
- Management's Ethical Responsibilities 80
  - What Is Ethical Behavior? 80
  - What Is an Ethical Dilemma? 80
- Ethics in Dealing with Salespeople 81
  - Level of Sales Pressure 81
  - Decisions Affecting Territory 82
  - To Tell the Truth? 83
  - The Ill Salesperson 83
  - Employee Rights 83
- Salespeople's Ethics in Dealing with Their Employers 86
  - Misusing Company Assets 86
  - Moonlighting 86
  - Cheating 86
  - Affecting Other Salespeople 86
  - Technology Theft 86
- Ethics in Dealing with Customers 87
  - Bribes 87
  - Misrepresentation 87
  - Price Discrimination 92
  - Tie-in Sales 92
  - Exclusive Dealership 92
  - Reciprocity 92
  - Sales Restrictions 92
- The International Side of Ethics 93
- Managing Sales Ethics 94
  - Follow the Leader 94
  - Leader Selection Is Important 94
  - Establish a Code of Ethics 94
  - Create Ethical Structures 95
  - Encourage Whistle-Blowing 95
  - Create an Ethical Sales Climate 95
  - Establish Control Systems 96
- Ethics in Business and Sales 96
  - Helpful Hints in Making Career Decisions 96
  - Do Your Research! 97
- The Tree of Business Life 99
  - Ethics Rule Business 100
- Summary of Major Selling Issues 100
- Key Terms for Selling 101

- Sales Application Questions 101
- Further Exploring the Sales World 102
- Selling Experiential Exercise: Ethical Work Climates 102

## CASES

- 3.1 Ethical Selling at Perfect Solutions: The Case of the Delayed Product 105
- 3.2 Sales Hype: To Tell the Truth or Stretch It, That Is the Question 107

# PART II

## Preparation for Relationship Selling

### CHAPTER 4

#### The Psychology of Selling: Why People Buy 110

- The Tree of Business Life: Benefits 111
- Why People Buy—The Black Box Approach 111
- Psychological Influences on Buying 112
  - Motivation to Buy Must Be There 112
  - Economic Needs: The Best Value for the Money 112
  - Awareness of Needs: Some Buyers Are Unsure 113
- A FABulous Approach to Buyer Need Satisfaction 114
  - The Product's Features: So What? 114
  - The Product's Advantages: Prove It! 114
  - The Product's Benefits: What's in It for Me? 115
- How to Determine Important Buying Needs—A Key to Success 117
- The Trial Close—A Great Way to Uncover Needs and SELL 118
- SELL Sequence 119
- Your Buyer's Perception 121
- Perceptions, Attitudes, and Beliefs 122
  - Example of a Buyer's Misperceptions 123
- The Buyer's Personality Should Be Considered 124
  - Self-Concept 124
- Adaptive Selling Based on Buyer's Style 125
  - Personality Typing 125
  - Adapt Your Presentation to the Buyer's Style 125
  - What Is Your Style? 128
- You Can Classify Buying Situations 128
  - Some Decisions Are Routine 129
  - Some Decisions Are Limited 129
  - Some Decisions Are Extensive 129
- Technology Provides Information 130
- View Buyers as Decision Makers 130
  - Need Arousal 131
  - Collection of Information 131

- Information Evaluation 131
- Purchase Decision 132
- Postpurchase 133
- Satisfied Customers Are Easier to Sell To 134
- To Buy or Not to Buy—A Choice Decision 134
- Summary of Major Selling Issues 136
- Key Terms for Selling 137
- Sales Application Questions 137
- Further Exploring the Sales World 140
- Student Application Learning Exercises (SALES) 141
  - SALE 1 of 7—Chapter 4 141
- Selling Experiential Exercise: Is Organizational Selling for You? 141

## CASES

- 4.1 Economy Ceiling Fans, Inc. 143
- 4.2 McDonald's Ford Dealership 144

### CHAPTER 5

#### Communication for Relationship Building: It's Not All Talk 146

- The Tree of Business Life: Communication 147
  - Communication: It Takes Two 148
    - Salesperson–Buyer Communication Process Requires Feedback 148
  - Nonverbal Communication: Watch for It 150
    - Concept of Space 150
    - Communication through Appearance and the Handshake 152
    - Body Language Gives You Clues 155
  - Barriers to Communication 158
  - Master Persuasive Communication to Maintain Control 160
    - Feedback Guides Your Presentation 160
    - Remember the Trial Close 161
    - Empathy Puts You in Your Customer's Shoes 161
    - Keep It Simple 162
    - Creating Mutual Trust Develops Friendship 163
    - Listening Clues You In 163
    - Your Attitude Makes the Difference 167
    - Proof Statements Make You Believable 167
  - Summary of Major Selling Issues 168
  - Key Terms for Selling 168
  - Sales Application Questions 169
  - Further Exploring the Sales World 170
  - Selling Experiential Exercise: Listening Self-Inventory 170
- ## CASES
- 5.1 Skaggs Manufacturing 173
  - 5.2 Alabama Office Supply 174
  - 5.3 Vernex, Inc. 175
- Appendix: Dress for Success . . . and to Impress for Business Professional and Business Casual Occasions! 176

**CHAPTER 6****Sales Knowledge: Customers, Products, Technologies 180**

- The Tree of Business Life: Knowledge 181
- Sources of Sales Knowledge 181
- Knowledge Builds Relationships 182
  - Knowledge Increases Confidence in Salespeople . . . 182
  - . . . and in Buyers 182
  - Relationships Increase Sales 183
- Know Your Customers 183
- Know Your Company 183
  - General Company Information 183
- Know Your Product 184
- Know Your Resellers 185
- Advertising Aids Salespeople 185
  - Types of Advertising Differ 186
  - Why Spend Money on Advertising? 187
- Sales Promotion Generates Sales 188
  - Point-of-Purchase Displays: Get Them Out There 188
  - Shelf Positioning Is Important to Your Success 188
  - Premiums 189
- What's It Worth? Pricing Your Product 189
- Know Your Competition, Industry, and Economy 190
- Personal Computers and Selling 192
- Knowledge of Technology Enhances Sales and Customer Service 192
  - Personal Productivity 193
  - Communications with Customers and Employer 195
  - Customer Order Processing and Service Support 197
- Sales: Internet and the World Wide Web 198
  - The Internet 198
  - World Wide Web 198
- Global Technology Provides Service 199
- Technology Etiquette 200
  - Netiquette 200
  - Cell Phones 201
  - Voice Mail 202
  - Faxes 202
  - Speakerphones and Conference Calls 202
- Summary of Major Selling Issues 202
- Key Terms for Selling 203
- Sales Application Questions 204
- Further Exploring the Sales World 205
- Selling Experiential Exercise: How Is Your Self-Confidence? 205
- Appendix: Sales Arithmetic and Pricing 208
- Types of Prices 208
- Discounts Lower the Price 209
  - Quantity Discounts: Buy More, Pay Less 209
  - Cash Discounts Entice the Customer to Pay on Time 209

- Trade Discounts Attract Channel Members' Attention 210
- Consumer Discounts Increase Sales 210
- Resellers: Markup and Profit 211
- Markup and Unit Price 212
- Markup and Return on Investment 212
- Organizations: Value and ROI 214
  - Compare Product Costs to True Value 215
  - Unit Costs Break Down Price 216
  - Return on Investment Is Listened To 216
- Key Terms for Selling 216
- Sales Application Questions 216
- Student Application Learning Exercises (SALES) 218
  - Sale 2 of 7—Chapter 6 218

**CASES**

- 6A.1** Claire Cosmetics 220
- 6A.2** McBath Women's Apparel 220
- 6A.3** Electric Generator Corporation 221
- 6A.4** Frank's Drilling Service 222
- 6A.5** FruitFresh, Inc. 222

**PART III****The Relationship Selling Process****CHAPTER 7****Prospecting—The Lifblood of Selling 226**

- The Tree of Business Life: Prospecting 227
- The Sales Process Has 10 Steps 228
- Steps before the Sales Presentation 228
- Prospecting—The Lifblood of Selling 229
- The Leaking Bucket Customer Concept 230
- Where to Find Prospects 230
- Planning a Prospecting Strategy 230
- Prospecting Methods 231
  - E-Prospecting on the Web 231
  - Cold Canvassing 232
  - Endless Chain Customer Referral 232
  - Orphaned Customers 233
  - Sales Lead Clubs 233
  - Prospect Lists 233
  - Getting Published 234
  - Public Exhibitions and Demonstrations 234
  - Center of Influence 235
  - Direct Mail 236
  - Telephone and Telemarketing 236
  - Observation 237
  - Networking 237

- Prospecting Guidelines 238
  - Referrals Used in Most Prospecting Methods 239
  - The Prospect Pool 239
- The Referral Cycle 240
  - The Parallel Referral Sale 240
  - The Secret Is to Ask Correctly 241
  - The Preapproach 241
  - The Presentation 242
  - Product Delivery 242
  - Service and Follow-Up 243
  - Don't Mistreat the Referral 244
- Call Reluctance Costs You Money! 244
- Obtaining the Sales Interview 244
  - The Benefits of Appointment Making 245
- Wireless E-Mail Helps You Keep in Contact and Prospect 248
- Summary of Major Selling Issues 249
- Key Terms for Selling 250
- Sales Application Questions 250
- Further Exploring the Sales World 250
- Selling Experiential-Exercise: Your Attitude toward Selling 251

## CASES

- 7.1 Canadian Equipment Corporation 253
- 7.2 Montreal Satellites 253

## CHAPTER 8

### Planning the Sales Call Is a Must! 254

- The Tree of Business Life: Planning 255
  - Begin Your Plan with Purpose! 255
  - Plan to Achieve Your Purpose 255
  - What's a Plan? 256
  - What Is Success? 256
- Strategic Customer Sales Planning—The Preapproach 258
  - Strategic Needs 259
  - Creative Solutions 259
  - Mutually Beneficial Agreements 259
  - The Customer Relationship Model 259
  - Reasons for Planning the Sales Call 260
  - Elements of Sales Call Planning 261
  - Always Have a Sales Call Objective 261
- The Prospect's Mental Steps 267
  - Attention 268
  - Interest 268
  - Desire 268
  - Conviction 268
  - Purchase or Action 268
- Overview of the Selling Process 268
- Summary of Major Selling Issues 269

- Key Terms for Selling 270
- Sales Application Questions 270
- Further Exploring the Sales World 271
- Selling Experiential Exercise: SMART Course Objective Setting 271
- Student Application Learning Exercises (SALES) 272
  - SALE 3 of 7—Chapter 8 273

## CASES

- 8.1 Ms. Hansen's Mental Steps in Buying Your Product 274
- 8.2 Machinery Lubricants, Inc. 275
- 8.3 Telemax, Inc. 276

## CHAPTER 9

### Carefully Select Which Sales Presentation Method to Use 277

- The Tree of Business Life: Presentation 278
- Sales Presentation Strategy 279
- Sales Presentation Methods—Select One Carefully 280
  - The Memorized Sales Presentation 280
  - The Formula Presentation 282
  - The Need-Satisfaction Presentation 284
  - The Problem-Solution Presentation 287
  - Comparison of Presentation Methods 287
  - What Is the Best Presentation Method? 288
- The Group Presentation 288
  - Give a Proper Introduction 289
  - Establish Credibility 289
  - Provide an Account List 289
  - State Your Competitive Advantages 289
  - Give Quality Assurances and Qualifications 289
  - Cater to the Group's Behavioral Style 289
- Negotiating So Everyone Wins 291
  - Phases of Negotiation 292
- Sales Presentations Go High-Tech 294
- Select the Presentation Method, Then the Approach 294
- Let's Review before Moving On! 295
  - What's Important to Know? 295
  - The Golden Rule Makes Sense 296
  - Dale Carnegie Gives a Word of Warning! 296
- Summary of Major Selling Issues 297
- Key Terms for Selling 298
- Sales Application Questions 298
- Further Exploring the Sales World 298
- Selling Experiential Exercise: What Are Your Negotiation Skills? 298

## CASES

- 9.1 Cascade Soap Company 300
- 9.2 A Retail Sales Presentation 301
- 9.3 Negotiating with a Friend 302

**CHAPTER 10****Begin Your Presentation Strategically 303**

The Tree of Business Life: The Beginning 304

What Is the Approach? 305

The Right to Approach 306

The Approach—Opening the Sales Presentation 306

Your Attitude during the Approach 306

The First Impression You Make Is Critical to

Success 308

Approach Techniques and Objectives 309

Small Talk Warms 'em Up 309

The Situational Approach 309

Opening with Statements 310

Demonstration Openings 312

Opening with Questions 313

Technology in the Approach 320

Is the Approach Important? 320

Using Questions Results in Sales Success 321

The Direct Question 321

The Nondirective Question 322

The Rephrasing Question 322

The Redirect Question 322

Three Rules for Using Questions 323

Is the Prospect Still Not Listening? 324

Be Flexible in Your Approach 324

Summary of Major Selling Issues 325

Key Terms for Selling 326

Sales Application Questions 326

Further Exploring the Sales World 328

Selling Experiential Exercise: Plan Your Appearance—

It Projects Your Image! 328

Student Application Learning Exercises (SALES) 330

SALE 4 of 7—Chapter 10 330

**CASES****10.1** The Thompson Company 331**10.2** The Copy Corporation 331**10.3** Electronic Office Security Corporation 332**CHAPTER 11****Elements of a Great Sales Presentation 335**

The Tree of Business Life: Presentation 336

The Purpose of the Presentation 336

Three Essential Steps within the Presentation 339

Remember Your *FABs*! 340

The Sales Presentation Mix 340

Persuasive Communication 341

Participation Is Essential to Success 345

Proof Statements Build Believability 346

The Visual Presentation—Show and Tell 348

Visual Aids Help Tell the Story 349

Dramatization Improves Your Chances 349

George Wynn the Showman 350

Demonstrations Prove It 351

A Demonstration Checklist 352

Use Participation in Your Demonstration 352

Reasons for Using Visual Aids, Dramatics, and

Demonstrations 353

Guidelines for Using Visual Aids, Dramatics, and

Demonstrations 353

Technology Can Help! 354

The Sales Presentation Goal Model 354

The Ideal Presentation 355

Be Prepared for Presentation Difficulties 355

How to Handle Interruptions 355

Should You Discuss the Competition? 356

Where the Presentation Takes Place 358

Diagnose the Prospect to Determine Your Sales

Presentation 358

Summary of Major Selling Issues 358

Key Terms for Selling 359

Sales Application Questions 359

Further Exploring the Sales World 360

Student Application Learning Exercises (SALES) 361

SALE 5 of 7—Chapter 11 361

**CASES****11.1** Dyno Electric Cart Company 363**11.2** Major Oil, Inc. 363**11.3** Dumping Inventory: Should This Be Part of Your  
Presentation? 366**CHAPTER 12****Welcome Your Prospect's Objections 368**

The Tree of Business Life: Objections 369

Welcome Objections! 369

What Are Objections? 370

When Do Prospects Object? 370

Objections and the Sales Process 370

Basic Points to Consider in Meeting Objections 371

Plan for Objections 372

Anticipate and Forestall 372

Handle Objections as They Arise 373

Be Positive 373

Listen—Hear Them Out 373

Understand Objections 373

Six Major Categories of Objections 376

The Hidden Objection 376

The Stalling Objection 377

The No-Need Objection 379

The Money Objection 380

The Product Objection 383

The Source Objection 383



- Techniques for Meeting Objections 385
  - The Dodge Neither Denies, Answers, nor Ignores 385
  - Don't Be Afraid to Pass Up an Objection 385
  - Rephrase an Objection as a Question 386
  - Postponing Objections Is Sometimes Necessary 387
  - Send It Back with the Boomerang Method 388
  - Ask Questions to Smoke Out Objections 389
  - Use Direct Denial Tactfully 392
  - The Indirect Denial Works 392
  - Compensation or Counterbalance Method 393
  - Let a Third Party Answer 393
- Technology Can Effectively Help Respond to Objections! 394
- After Meeting the Objection—What to Do? 394
  - First, Use a Trial Close—Ask for Opinion 394
  - Move Back Into Your Presentation 395
  - Move to Close Your Sale 396
  - If You Cannot Overcome the Objection 396
- In All Things Be Guided by the Golden Rule 397
- Summary of Major Selling Issues 397
- Key Terms for Selling 398
- Sales Application Questions 398
- Further Exploring the Sales World 399
- Student Application Learning Exercises (SALES) 400
  - SALE 6 of 7—Chapter 12 400

## CASES

- 12.1 Ace Building Supplies 402
- 12.2 Electric Generator Corporation (B) 402

## CHAPTER 13

### Closing Begins the Relationship 404

- The Tree of Business Life: Closing 405
- When Should I Pop the Question? 406
- Reading Buying Signals 406
- What Makes a Good Closer? 407
  - Ask for the Order and Be Quiet 408
  - Get the Order—Then Move On! 409
- How Many Times Should You Close? 409
- Closing under Fire 410
- Difficulties with Closing 411
- Essentials of Closing Sales 411
- Prepare Several Closing Techniques 413
  - The Alternative-Choice Close Is an Old Favorite 414
  - The Assumptive Close 415
  - The Compliment Close Inflates the Ego 415
  - The Summary-of-Benefits Close Is Most Popular 416
  - The Continuous-Yes Close Generates Positive Responses 417
  - The Minor-Points Close Is Not Threatening 417
  - The T-Account or Balance-Sheet Close Was Ben Franklin's Favorite 418

- The Standing-Room-Only Close Gets Action 420
- The Probability Close 420
- The Negotiation Close 421
- The Technology Close 421
- Prepare a Multiple-Close Sequence 422
- Close Based on the Situation 422
- Research Reinforces These Sales Success Strategies 422
- Keys to Improved Selling 426
- The Business Proposition and the Close 426
  - Use a Visual Aid to Close 426
- Closing Begins the Relationship 426
- When You Do Not Make the Sale 428
- Summary of Major Selling Issues 429
- Key Terms for Selling 430
- Sales Application Questions 430
- Further Exploring the Sales World 432
- Student Application Learning Exercises (SALES) 432
  - SALE 7 of 7—Chapter 13 433

## CASES

- 13.1 Skaggs Omega 435
- 13.2 Central Hardware Supply 435
- 13.3 Furmanite Service Company—A Multiple-Close Sequence 436
- 13.4 Steve Santana: Pressured to Close a Big Deal 437

## CHAPTER 14

### Service and Follow-Up for Customer Retention 439

- The Tree of Business Life: Service 440
- The Importance of Service and Follow-Up 441
  - Words of Sales Wisdom 442
  - True Caring Builds Relationships and Sales 443
- Building a Long-Term Business Friendship 444
  - What Is a Business Friendship? 444
  - How to Build a Business Friendship 444
  - What Is Most Important? 446
  - How Many Friends? 447
- Relationship Marketing and Customer Retention 447
  - Relationship Marketing Builds Friendships 447
- The Product and Its Service Component 447
  - Expectations Determine Service Quality 448
- Customer Satisfaction and Retention 448
- Excellent Customer Service and Satisfaction Require Technology 449
- So, How Does Service Increase Your Sales? 449
- Turn Follow-Up and Service into a Sale 450
- Account Penetration Is a Secret to Success 451
- Service Can Keep Your Customers 452
- You Lose a Customer—Keep on Trucking 455
- Returned Goods Make You a Hero 456
- Handle Complaints Fairly 456
- Is the Customer Always Right? 456

- This Customer Is Not in the Right! 456
- Dress in Your Armor 457
- Build a Professional Reputation 457
- Do's and Don'ts for Business Salespeople 458
- The Path to Sales Success: Seek, Knock, Ask, Serve 459
- Summary of Major Selling Issues 461
- Key Terms for Selling 462
- Sales Application Questions 462
- Further Exploring the Sales World 462
- Selling Experiential Exercise: What's Your Attitude toward Customer Service? 463

## CASES

- 14.1 California Adhesives Corporation 465
- 14.2 Sport Shoe Corporation 465
- 14.3 Wingate Paper 466

# PART IV

## Managing Yourself, Your Career, and Others

### CHAPTER 15

#### Time, Territory, and Self-Management: Keys to Success 470

- The Tree of Business Life: Time 471
- Customers Form Sales Territories 472
  - Why Establish Sales Territories? 472
  - Why Sales Territories May Not Be Developed 473
- Elements of Time and Territory Management 473
  - Salesperson's Sales Quota 474
  - Account Analysis 474
  - Develop Account Objectives and Sales Quotas 477
  - Territory–Time Allocation 477
  - Return on Time Invested 478
  - Customer Sales Planning 481
  - Scheduling and Routing 481
  - Using the Telephone for Territorial Coverage 484
  - Territory and Customer Evaluation 484
- Summary of Major Selling Issues 486
- Key Terms for Selling 487
- Sales Application Questions 487
- Selling Experiential Exercise 488
- Further Exploring the Sales World 489

## CASES

- 15.1 Your Selling Day: A Time and Territory Game 490

- 15.2 Sally Malone's District—Development of an Account Segmentation Plan 491

### CHAPTER 16

#### Planning, Staffing, and Training Successful Salespeople 493

- The Tree of Business Life: Management 494
- Transition from Salesperson to Sales Manager 495
  - What Changes Occur? 495
  - The Experience of Being Promoted 496
  - Problems New Managers Experience 496
  - The Key to Making a Successful Transition 497
- Technology Is Needed in the Job 498
- Being a First-Line Sales Manager Is a Challenging Job 498
- What Is the Salary for Management? 498
- Overview of the Job 499
- Sales Management Functions 500
- Sales Force Planning 500
  - Sales Forecasting 501
  - The Sales Manager's Budget 501
  - Organizing the Sales Force 502
- Staffing: Having the Right People to Sell 503
  - People Planning 504
  - Employment Planning 506
  - The Multicultural Sales Organization 508
  - Recruitment—Finding the Right People 508
  - A Sales Manager's View of the Recruit 509
  - Interview Follow-Up 512
- Training the Sales Force 513
  - Purposes of Training 513
  - Training Methods 514
  - Where Does Training Take Place? 515
  - When Does Training Occur? 516
  - Who Is Involved in Training? 517
- Summary of Major Sales Management Issues 519
- Key Terms for Managing 520
- Sales Application Questions 520
- Further Exploring the Sales World 520
- Selling Experiential Exercise: What Are Your People Skills? 521

## CASE

- 16.1 The Wilson Company: Is a Sales Manager's Job Really for Me? 523

### CHAPTER 17

#### Motivation, Compensation, Leadership, and Evaluation of Salespeople 525

- The Tree of Business Life: Management 526
- Motivation of the Sales Force 526

- The Motivation Mix: Choose Your Ingredients Carefully 527
- Compensation Is More Than Money 528
  - Straight Salary Plans 528
  - Straight Commission Plans 530
  - Combination Plans 534
- The Total Compensation Package 535
- Nonfinancial Rewards Are Many 536
- Leadership Is Important to Success 537
  - The Leader's Task and Relationship Behavior 537
  - Choosing a Leadership Style 539
  - On-the-Job Coaching 539
- Performance Evaluations Let People Know Where They Stand 540
  - Performance Evaluation—What Is It? 540
  - Reasons for Performance Evaluation 541
  - Who Should Evaluate Salespeople? 541
  - When Should Salespeople Be Evaluated? 541
  - Performance Criteria 541
    - Quantitative Performance Criteria 541
    - Qualitative Performance Criteria 542
  - Conducting the Evaluation Session 542
- Sales Managers Use Technology 545
  - To Manage Customers 545
  - To Manage Salespeople 546
- Summary of Major Sales Management Issues 547
- Key Terms for Managing 548
- Sales Application Questions 548
- Further Exploring the Sales World 548
- Selling Experiential Exercise: A Failure to Communicate? 548
- Sales Management Quiz 549

## CASES

- 17.1 Baxter Surgical Supplies Incorporated 551
- 17.2 The Dunn Corporation 552

## APPENDIX A:

### Sales Call Role-Plays 556

- Role-Play One: Consumer Sales 556
- Role-Play Two: Distributor Sales 558
- Role-Play Three: Business-to-Business 561
- Role-Play Four: Business-to-Business 563

## APPENDIX B:

### Personal Selling Experiential Exercises 566

- Sell Yourself on a Job Interview 566
- Résumé, Follow-Up Letter, E-Mail 568

- How to Create a Portfolio 576
- Sales Team Building 579
- What's Your Style—Senser, Intuitor, Thinker, Feeler? 579

## APPENDIX C:

### Comprehensive Sales Cases 584

## CASES

- 1 Zenith Computer Terminals, Inc.: Development of a Total Business Plan 584
- 2 Wallis Office Products: Defining New Sales Roles 588
- 3 United Cosmetics, Inc.: Creating a Staffing Program 591
- 4 Mead Envelope Company—Is a New Compensation Plan Needed? 593
- 5 McDonald Sporting Goods Company: Determining the Best Compensation Program 595

## APPENDIX D:

### Selling Globally 601

- When in Rome, Do What the Romans Do 601
- Customer Gift Giving in Japan 602
- Respecting the Traditions of India 602
- Wanted: Global Sales Managers and Salespeople 603
- A Typical Sales Day in China: What to Expect 603
- Little Cold Calling in Japan 604
- Chinese Culture: Don't Shy Away from Negotiating 605
- Salespeople Are Making It Happen in China 606
- Watch Out in Russia and China—They May Bug Your Room to Find Out Your Secrets 606
- French versus American Salespeople 607
- Israel—The Home Court Advantage 608
- Working a Deal in the Arab World 608
- The Japanese Take Relationship Selling Seriously 608
- Europe and IBM—Changes Had to Be Made 609
- Selling Experiential Exercise 610

## APPENDIX E:

### Answers to Crossword Puzzles 611

- Glossary of Selling Terms 617
- Notes 627
- Photo Credits 632
- Index 634