

Solution Manual for Fundamentals of Selling Customers for Life through Service 13th Edition by Charles Futrell ISBN 0077861019 9780077861018

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Solution Manual

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To the Instructor

Thank you for choosing **Fundamentals of Selling** to use in your class! It has taken years to bring you the textbook and the accompanying materials. The material has been class tested numerous times in both academic and continuing education classes. Students, salespeople, and sales managers have found the material to be educational, enjoyable, practical, and real-world.

The instructor's manual was designed to assist instructors as much as possible in teaching the selling course. It has been particularly written for those who have either never taught the course or not taught the course very often. It will also be a big help to the instructor looking for a different selling textbook to use for a change of pace. Here is what is available for you:

1. A lecture outline of chapter material.
2. An answer to end-of-chapter exercises, and ethical dilemmas.
3. True-False and Multiple-Choice test questions.
4. Transparency masters both within and outside textbook.
5. A computerized test bank available from McGraw - Hill and their TeleTest service (1-800-331-5094).
6. A new videotape featuring students' role playing and examples from industry.
7. Course organization and teaching methods materials.

As you will see, an enormous amount of time and effort was expended to provide you valuable assistance. Having been in sales with Colgate, Upjohn, and Ayerst Laboratories for eight years, plus having taught the course over 40 times, I still welcome all the help I can get from time to time. So I know how much an instructor's manual can aid you. I sincerely hope it is a help to you!

Typically, I have 25 to 40 students in two sections of the personal selling course. In addition to the two lecture sections, students can sign up for one of six labs for their role-plays. Currently role-plays consist of the "Sell Yourself on a Job Interview," practice role-plays like the approach-close combination, and the traditional product sales presentation. Role-plays take up about two months of the three-month class. You can appreciate the tremendous work, coordination, and grading required for such a class. Thus over the years, our course has evolved into a highly organized, well thought out, structured course. This is why you have such a great IM and instructor's Web site at your fingertips. This material has grown out of training thousands of students over the years.

Special recognition goes to Shelbie Painter, Nicki Akin and Elijah Davidson for their work on this IM. As with most textbooks, the publisher contracted with a specialist in preparing examination questions for the creation of this edition's new test bank. Please review the questions and their answers as you create your test for students.

Please let me hear from you on what you are doing in your classes. If you have questions for me or if the publisher or I can do anything for you please call or e-mail me. **Thank you!**

Charles Futrell
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c-futrell@tamu.edu

PS: you will find an example syllabus, class schedule, and presentation guidelines in the next few pages. These are to show the detail I go into so the student will know exactly what is expected and dates and times of activities. To see what I have done most recently, please go to my personal website and click on classes.

Professor Futrell Online!

Beginning in the Fall 1997 I went "Online" with both my personal selling and sales management courses. While time consuming to set up the Web site, technology is allowing us to do a much better job of interacting with our students. Students like this "student contact system."

You are invited to visit my Web site at either <http://futrell-www.tamu.edu>. Occasionally it is down for repair, so E-mail me if you have trouble getting into the site. My E-mail is c-futrell@tamu.edu.

What follows is a brief overview of my student contact system. Students enroll in one of two lecture sections and one of six labs. The labs are where students do their video role-plays. My sections are for business majors only. On the Web site you can go to Classes, Marketing 435, and Course Overview to see how I organize the course, lectures, sales lab, and role-plays.

Student Contact System

Students come to the main page for the course and click on "Important – REGISTER." They register their student and E-mail numbers. I have them sign a release that it is OK to post their grades using their student numbers. You could assign each student a password. Registering helps insure the numbers are inputted correctly. With a digital camera you can also have a nice picture of each student appear on their grade page.

Students receive all grades on line. I routinely E-mail them such things as when grades are posted and announcements, such as grades are up or a reminder of a test or assignment due soon.

We are continually improving this student contact system and our teaching procedures using technology. Please contact me any time to see what works or what we are experimenting with today.

Web Sites for Personal Selling and Sales Management

Please look at both courses' Web site. Also, click on the book covers to allow you or your students to print out such things as a complete chapter outline of each book and example test questions. I also have the URL's of hundreds of organizations having the largest sales forces in America.

Student Application Learning Exercises (SALES)

Most of us teaching this course require our students to create a sales presentation and role-play it with a buyer. Students often postpone working on their role-play exercises until days before it is due.

Fall 1997 I experimented with the use of SALES. It worked well. While students fussed about the extra work, close to 100 percent said the SALES helped them prepare for their main role-play. I plan on using them in the future. Because students felt SALES were a good learning tool, I put them in this edition of your book. Example SALES are available on my web site under Classes, Marketing 435, Personal Selling, Assignments, Instructors only. E-mail me for the password.

Chances are you will choose to modify them to your learning objectives. They are in the book to show what has helped us better prepare students for their main course exercise. The SALES appear at the end of chapters 4, 6, 8, 10, 11, 12, and 13.

I pick a product—and provide all information—that everyone in class uses to complete the SALES. This makes it easy to grade and go over in class. I always explain each SALE the class period before it is due. Try mine or create your own SALES. Please let me know how they work for your students.

Marketing 435 Personal Selling

Instructor: Professor Charles M. Futrell
Office: 222L Wehner Building
Office Hours: Tuesday & Thursday, 2:00-4:30, and by appointment; but come by anytime.
Telephone: (979) 845-5889 24 hours a day; leave voice mail
E-mail: c-futrell@tamu.edu 24 hours a day; response usually same day
WEB: <http://futrell-www.tamu.edu> or <http://www.tamu.edu/cba/>

Course Objectives

The basic objectives for this course are:

- for you to gain an understanding of personal selling as a major function within the marketing and promotional mix of a firm.
- to improve your communication ability.
- to familiarize you with the principles of selling.
- to have you prepare and present a sales presentation by visually, verbally, and nonverbally communicating your information using the selling skills discussed in class and in your textbook.
- for you to consider a career in sales.

Course Approach

Classes will be a combination of discussion, various exercises (conducted both inside and outside of the classroom), and lectures. You will participate in several role-playing exercises. The purpose of these activities is to provide you an opportunity to practice your communication and selling skills. Your class participation is expected and appreciated.

All assignments must be based upon your own work. You cannot work with other students except to practice your product sales presentation with your buyer.

This Would Be A Big Help!

A big help to your earning a higher grade and greatly enhancing your “learning” would be to talk with two or more salespeople who sell your product, plus two or more buyers of that product. However, this is not a requirement of the course.

Required Text

Charles M. Futrell, **Fundamentals of Selling: Customers for Life Through Service**, Burr Ridge, Illinois: Irwin/McGraw-Hill Publishers.

Prerequisites

Marketing 321 – the introductory marketing course **must** be taken before taking the course.

VHS Videocassette

You will need a VHS videocassette for the product sales presentation role-play. On the videocassette write your: (1) name, (2) section number, (3) lab time, and (4) which role play you want us to grade. You may pick up your video after the course is over.

Tests

Multiple-choice questions will be used to test your knowledge of all materials associated with the course, such as the text, lectures, videos, and possible outside guests' discussions.

Make-up Tests

If you miss a test, you must take the make-up exam. This make-up exam is comprehensive – over the entire course. Questions are taken only from your textbook. You do not have to give me an excuse if you miss one test. If you miss two tests you will have to withdraw from the course. See the “tentative schedule” for the location, day, and time of the make-up exam.

Role-Play is a Test

The role playing exercises will test how well you understand and can apply the course materials. Role-plays also show how motivated you are to perform at a high level. To do well requires you to:

1. Aggressively collect and develop all materials for the presentation.
2. Use class and textbook materials to develop the communication aspects of the presentation – follow instructions.
3. Do an excellent job of creatively writing your paper. You must label all selling techniques used in your presentation.
4. Practice, practice, practice.

Caution: Your role-play project must be totally your own work. You cannot use or follow someone else's written or verbal project in any manner. If done, you will be considered cheating and proper University disciplinary actions will be taken by the instructor. You cannot sell any of the following products: (1) Liquor, (2) Tobacco, or (3) Firearms.

SALE Assignments

SALE refers to **Student Application Learning Exercises**. All assignments must be **typed** in a single- or double-space format. No assignment will be accepted late unless the delay is due to an Official University excuse. Late refers to after the class is over on the day the assignment is due, 12:25 or 2:00. You must have a **cover page**. On the cover page type: (1) your name (2) ID number (3) Marketing 435 (4) Section number (5) date assignment is due and (6) title of assignment. If you do not have a cover page with the above information, **the assignment will not be graded and you will receive a "zero."** Please understand this policy, but with 200 students, we will be grading over **1000 assignments !!!** Typing the assignment and having a cover sheet will help ensure that your grade will be recorded properly and correctly.

Some assignments will be completed during class. If you come to class after the assignment has been completed, you cannot complete or makeup the assignment.

Final Grade

Final grades are based upon the Official University policy. There will be no curve. A 79.9 average equals a "C." Your final course grade will be determined by dividing your total points earned by the course's total points. Total points for the course will be 1260 depending upon whether or not you are a buyer; if you are not a buyer, your total points will be 1235.

800 points – two tests
300 points – product presentation (paper-150 pts.;video-150 pts.)
25 points – maximum buyer's grade
70 points – SALES (10 points each)
60 points – Web exercises (30 points each)
5 points – final exam
1260 points – points for course

Your course grade (average) will be calculated as:

- **your total points / your course grade = your course grade**

Extra points can be earned by completing bonus exercises completed inside and outside of class. These points will be added to your total points, but not to the total course points. If you earned 50 bonus points, for example, your total points earned will be divided by 1260 points.

Special Accommodations

The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you believe you have a disability requiring an accommodation, please contact the Department of Student Life, Services for Students with disabilities in Room 126 of the Koldus Building, or call 845-1637.

Conduct In The Classroom

1. We have beautiful and state-of-the-art classrooms in the Wehner Building. We want to maintain the high quality of these classrooms for the students in future years. Thus, it is necessary for you to adhere to the established policy of **NO BEVERAGES, FOOD, TOBACCO PRODUCTS, OR ANIMALS** (unless approved) within the Wehner Building Classrooms. Your assistance in enforcing this policy is greatly appreciated.
2. No talking in classroom while the instructor is conducting the class.

Should either of the above occur you will be:

- A. Asked to stop talking or take food, drink, and/or tobacco products out of the room. You may be asked to not come back to class without a written admission note from Dr. Rajan, Head of the Marketing Department.
- B. The second time you do not follow the above guidelines, up to 50 points will be deducted from your grade. You will be ejected from the class. To come back to class, you must have a written admission note from Dr. Conant, Head of the Marketing Department.
- C. Each time thereafter you'll have up to 100 points deducted from your grade and required again to leave the classroom and talk with Dr. Conant for admission back into the classroom.

Handouts and Plagiarism

The handouts used in this course are copyrighted. By "handouts," I mean all materials generated for this class, which include but are not limited to syllabi, quizzes, exams, lab problems, in-class materials, review sheets, and additional problem sets. Because these materials are copyrighted, you do not have the right to copy the handouts, unless I expressly grant permission.

As commonly defined, plagiarism consists of passing off as one's own the ideas, words, writings, etc., which belong to another. In accordance with this definition, you are committing plagiarism if you copy the work of another person and turn it in as your own, even if you should have the permission of that person. Plagiarism is one of the worst academic sins, for the plagiarist destroys the trust among colleagues without which research cannot be safely communicated.

If you have any questions regarding plagiarism, please consult the latest issues of the *Texas A&M University Student Rules*, under the section "Scholastic Dishonesty."

Scholastic Dishonesty

The individual student must do all of his/her work in this class. Using any material other than materials you create on your own will be considered as academic dishonesty. You can not work with anyone on assignments for this course.

Your Responsibility

It is your responsibility to help maintain scholastic integrity at the University by refusing to participate in or tolerate scholastic dishonesty. Please tell Professor Futrell of any dishonesty that is connected to this class.

Professor Futrell On Line!

We have developed a Web site for you to see how the course is organized and receive some class materials. All grades will be posted on Professor Futrell's Web site.

E-Mail – You Need It! C-futrell@tamu.edu

You will be informed of class activities, grades, etc. by E-mail. You need to have an E-mail account for this course. Please set one up ASAP. The fastest way for you to get a response from me is using E-mail. This includes questions or comments about the course. Always leave your E-mail address with each E-mail you send me.

**Instructor, this is an example only. Please see my website for the latest example of schedule.
These page numbers do not match the textbook.**

**Marketing 435
Personal Selling
Tentative Schedule**

- Aug. 29 Welcome, introduction to course, and Chapter 1—Life, Times, Career.
- Aug. 31 Chapter 4—Why People Buy. Discuss **SALE 1** today. Review FAB's before coming to class today. Answer questions 5, 6, and 9 before coming to class today. You **do not** turn in an assignment on questions 5, 6, and 9.
- Ten point bonus: Complete and turn in the "What's Your Style exercise to determine your style. Your paper should include: (1) your point values for the four functions (2) what is your dominant style—if any—and answer to question 3. Staple a cover sheet to the assignment.**
- Sept. 1 Last day to add.
- Sept. 5 Chapter 5—Communication and Persuasion; Chapter 6—Sales Knowledge. Turn in **SALE 1** today. Discuss **SALE 2** today. First study "What's It Worth?." Also review Exhibit 6-4 and read the pages on discounts and markup. Next read "The Business Proposition and the Close" in chapter 13. Briefly review Exhibit 13-11. It will be helpful if you understand how to calculate markup and Exhibit 6A-3 before coming to class.
- Sept. 7 **General Mills** will talk to you about selling consumer goods. Turn in **SALE 2. Discuss Test 1** and test procedures.
- Sept. 12 **Test 1** over chapters 1, 4, 5, and 6, plus outside materials.
- Sept. 14 Chapter 7—Prospecting; Chapter 8—Planning the Sales Call; Discuss **SALE 3** today. Review the section entitled "Customer Benefit Plan: What It's All About." Stop your study at the discussion of "the prospects mental steps." Carefully study Exhibits 8-6, 8-7, and 8-8 as they relate to the "end-users."
- Sept. 19 **Career Fair.** Turn in **SALE 3.** We will have industry sales personnel talk with you today. **Ferguson** will be visiting with you today. They will answer your questions about their products you are using for your class project. It is important for you to be in class today. Please carefully review the **Ferguson** product information before coming to class. Bring the product information to class with you. Let's have 100 percent attendance today. Please take notes and ask questions. **Ten bonus points for writing no longer than a three page paper**

(single or double spaced) about the Ferguson organization. Go to Ferguson.com. Turn in before class.

- Sept. 21 **Career Fair.** We will have industry sales personnel talk with you today. Let's have 100 percent attendance today. Please take notes and ask questions.
- Sept. 26 Chapter 9—Presentation Method; Chapter 10—Begin Your Presentation; Chapter 11—Presentation Elements. Discuss **SALES 4 and 5.** For **SALE 4** read "The Need-Satisfaction Presentation" on pages 251-253. Next determine which "approach" opening you will use by reviewing pages 274-282. For **SALE 5** review Exhibit 11-5 on page 301; proof statements on pages 306-308; analogy, simile, and metaphor on page 305.
- Sept. 28 Chapter 12—Objections; Chapter 13—Close. Turn in SALES 4 and 5. Discuss SALES 6 and 7. For SALE 6 read pages 334-342 and pages 342-352. For SALE 7 read pages 371-372. Read "The Business Proposition and the Close" on page 382 and review Exhibit 13-11. Discuss Test 2 and Sell Yourself exercise.
- Oct. 3-4 Turn in **SALES 6 and 7 during your lab; attend lab to select role-play partner.** Do not come to Room 118 on Tuesday. Go to **Room 101** at your lab day and time. **Do not come to Room 118 on October 10.**
- Oct. 5 **Test 2 over Chapters 7, 8, 9, 10, 11, 12, 13 plus outside materials including sales executives discussions.**
- Oct. 10-11 **Sell Yourself.** First half of your lab act as applicants, the other as recruiter. Applicants bring videotape. Applicants dress for success, optional for recruiter.
- Oct. 12 Make-up test in Room 118 during your regular class time.
- Oct. 17-18 **Sell Yourself.** Second half of your lab act as applicants. Applicants bring videotape.
- Oct. 19 Help session in Room 118 during your lecture class time. **Turn in Sell Yourself materials today with critique and Interview Appearance questionnaire folded, inserted into video carton.**
- Oct. 24-25 **Approach-Close.** Everyone role-plays his or her approach and close parts of your sales presentation. Casual dress. You may read your script. No grade for approach-close video, but minus 20 points if you do not do video. **At your lab, turn in part one of your written class project.** Part one is everything except the script. Each day your paper is late, 10 points will be deducted from the paper's grade. Late refers to after your lab is over for that day. A late paper does not affect the video grade.
- Oct. 26 Help session in Room 118 during your lecture class time.

SALES TRAINING BEGINS.....

- Oct. 31-
Nov. 1 **First product sales presentation video.** Meet in your lab today. **Bring your own videotape if selling.** Seller will dress for success, optional for buyer. One-half of class will sell this week. The second half of class will sell next week. You will be assigned a specific time to buy and sell during your lab time. **Everyone turn in your typed script paper during your lab time this week.** Each day your paper is late, 10 points are deducted from the paper's grade. Late refers to after your lab is over for that day. The video grade is not affected by a late paper.
- Nov. 7-8 **First product sales presentation video.** The second-half of class sells this week.
- Nov. 14-15 **Second product sales presentation video for those who sold Oct. 31- Nov. 1.** Repeat same presentation.
- Nov. 21 Catch-up
- Nov. 25 Thanksgiving
- Nov. 28-29 **Second product sales presentation video for those who sold Nov. 7-8.** Repeat same presentation.
- Nov. 30 **Turn in your video**—Room 118 at your class time. Place video in box properly labeled, including your lab day and time on side. **SET THE TAPE ON THE ROLE-PLAY YOU WANT GRADED—THE BEGINNING OF YOUR FIRST OR SECOND PRESENTATION.**
We cannot do this for you. Turn in Shadow project. Class evaluation—bring a #2 pencil. You can earn 25 BONUS points today.
- Dec. 5 Review and catch-up; Last day of fall classes. Redefined day; students attend Thursday classes.
- Dec. 13 **Final. 8-10 a.m. for 12:45-2:00 class; 1-3 p.m. for 2:20-3:35 class.**

Sales Presentation Guidelines

1. As a salesperson, it is your responsibility to develop your own presentation--not your manager's. Thus, I will not be available to comment on what specifically you should do to develop your presentation. I am available to explain the project. By listening in class, reading your text, visiting the library, contacting companies, and by your own ability, you will research, develop, and deliver a presentation that SELLS.
2. Presentation time limit = 8 minutes maximum; your buyer is a busy person.
3. The buyer's grade will be based upon the video presentation the seller selects to be graded for his/her product sales presentation.
4. Go to Wehner 101 15 minutes or more before your appointment time.
5. You must create and turn in for grading an original typed, double-spaced paper. **It will not be returned to you.** Please keep a copy. This paper is very important to your grade on this project. The paper should contain:
 - A. A cover sheet.
 - B. The "calling card" you create. Using a piece of typing paper, create your card. Make it the size of a business card. It does not need to be professionally done.
 - C. Customer analyses: (1) description of the customer--the individual-- you are calling on. (2) internet road map and direction (3) internet weather (On page of its own with title at top of page).
 - D. Your sales call objectives. (On page of its own with title).
 - E. On a page of its own with a title of "customer profile and planning sheet" (see Chapter 8, for example) containing:
 1. Name of company.
 2. Address of company.
 3. Type of business.
 4. Name of buyer.
 5. People who influence buying decision or aid in using or seeing your product.
 6. Buying hours and best time to see buyer.
 7. Receptionist's name.
 8. Buyer's personality type -- See Chapter 4.
 9. Buyer's important buying needs.
 - F. Competitive analysis. (On page of its own with title).

G. Customer benefit plan (FABs). (On page of its own with title).

- H. Marketing plan. (On page of its own with title).
- I. Business proposition, including “profit forecaster.” (On page of its own with title).
- J. Suggested order. (On page of its own with title).
- K. Copy of your visuals.

Sales presentation containing **buyer and seller dialogue**. **Note:** A through L goes before M. Yes, some information is repeated in M.

Major sections of your script dialogue must have these headings:

- Approach
- Product using SELL Sequences
- Marketing Plan using SELL Sequences
- Business Proposition using SELL Sequences
- Close
- If Does Not Buy

Note: Graders will look for your use of the stated techniques when grading your video presentation.

- 6. See the “tentative schedule” for date to turn in your paper.
- 7. **Note:** When you turn in your video for grading, also include a **one page typed critique** of your sales presentation. Include both improvements needed and things you did well. It should be no longer than one page. **Important:** Type your name and lab day and time at the top of the page. Fold the paper and insert it inside the video’s carton.
- 8. The “key” to making a high grade (“C” or better) is to incorporate the selling **techniques** we discuss in class into your presentation. For example, creative demonstrations are a “must”; techniques to overcome objections are essential; the use of questions are extremely important; and you cannot make the grade without great visuals.
- 9. The page entitled “Format of Sales Presentation” outlines the minimum elements and correct order you should use in your presentation.
- 10. One very important thing I am looking for you to do is tie together the buyer's needs uncovered in the preapproach, approach, and SELL Sequences to form your presentation, handling of objections, and closes. I am very interested in how your approach, presentation, and close are related to each other.
- 11. One letter grade will be deducted from the salesperson’s presentation grade if any one of the following is done:

A. the paper is not typed.

- B. the paper is not written, typed, and presented in a manner of a professional salesperson.
 - C. you do not have the appearance, mannerism, and attitude adhered to by a professional salesperson during your presentation.
 - D. you do not title the selling techniques you will use.
 - E. within buyer-seller dialogue, sections of presentation not clearly labeled.
 - F. do not have “If Do Not Sell Prospect” in script dialogue -- see example.
 - G. you do not have a sales demonstration of a major benefit in your presentation.
- Showing your product is not a demonstration.**

12. Ten points deducted for each day your paper(s) is late.
 13. Three letter grades will be deducted from your presentation grade if you read or follow an outline in any manner.
 14. Even though you may select your buyer, he/she will be given instructions as to the basic attitude toward you and your proposition. In general, the attitude will be one of the following:
 - A. No, will not buy no matter what; must give a **minimum** of two objections. You will need to have prepared at least two closes.
 - B. Appears not to want to buy but does buy; must give a **minimum** of two objections and two times to say “will not buy.”
- Important:** You should plan for the *no buy* situation. Thus, you are prepared for both the buy and no buy customer.
15. The buyer will be given several “extra” actions to do during the presentations.
 16. After your presentation, you and your buyer should quietly leave the lab area.
 17. You will be given the opportunity to do two product presentations. One of these **you** will select to be graded.

Salesperson Information Sheet
Personal Selling Course

Name: _____

- When will you graduate? _____
- Local address: _____
- Telephone number: _____
- Major: _____
- Overall grade point: _____
- Grade point in major: _____

- Student number: _____
- Permanent address: _____
- Telephone number: _____
- E-mail: _____
- **I give Professor Futrell permission to use my full nine digit student identification number when posting grades.**
- Signed: _____

• TAMU activities and honors: _____

• High school activities and honors: _____

• Are you presently working? Yes No If yes, where? _____

• What work experience have you had? _____

• Are you interested in a sales career? Yes No Maybe

• If yes or maybe, what type of sales job are you interested in? _____

• Other information you would like to share with me _____

• What grade do you have to make in this class? A B C D. Why? _____

• What are topics you want covered in this course? _____

EXAMPLE OF HOW STUDENTS ARE TO LABEL THEIR SCRIPTS

APPROACH using **SPIN** (Name of your approach)

Buyer: Hello, I'm Ms. Arrona.

Seller: Hello, I'm Melissa Albin, it's nice to meet you. I appreciate you seeing me this afternoon.

Buyer: Please have a seat.

Seller: Thank you. Here, let me give you one of my business cards. I understand you are responsible for the fountain, juice, coffee, and water categories in the Stop n Go convenience stores. Is that correct?

Buyer: Yes, I buy for over 900 stores, and it can get pretty hectic.

Seller: I can imagine. So how many of those Stop n Go's currently have coffee self-service setups? (**SPIN-situation**)

Buyer: There are 650 such stores.

Seller: As the Coffee buyer, I know you must keep a close watch on coffee self-service sales. Have you noticed any trends recently? (**SPIN-situation**)

Buyer: Yes, actually our coffee sales have been showing slight decreases over the last few months.

Seller: Is that normal to be showing decreases this time of year? (**SPIN-problem**)

Buyer: No, coffee sales usually remain pretty consistent over the year with slight increases when the weather turns cold. Coffee drinkers usually purchase coffee year round keeping our sales at a constant rate.

Seller: So your decreasing sales have obviously led to smaller profit. (**SPIN-implication**)

Buyer: Yea. I was just going over that (looking at computer printout). We are down about \$150 per store in almost all of our stores.

Seller: Do you ever receive customer complaints on the quality of coffee Stop n Go sells?

Buyer: Yes, unfortunately we do receive such complaints mainly on the taste. It is difficult to keep a constant watch over our employees, or even provide the proper training on how to prepare the coffee.

Seller: In other words, not only are you losing coffee sales, but also sales of related products customers would have purchased. (**SPIN-problem and implication**)

Buyer: Yes!

Seller: Ms. Arrona, would you be interested in a coffee program providing a great tasting coffee to your

customers, plus excellent profits to you? (**SPIN—need payoff**)

Buyer: Yes, I'm always interested in increasing our sales.

PRODUCT USING SELL SEQUENCES

PART III

LECTURE NOTES

CHAPTER 1

The Life, Times, and Career of the Professional Salesperson

LECTURE OUTLINE

I. WHAT IS SELLING?

- A. Traditional definition of personal selling refers to the personal communication of information to persuade a prospective customer to buy something—a good, a service, an idea or something else—which satisfies that individual’s needs.
- B. Personal selling today: In early 2000, corporate corruption contributed to the negative image of all business professions.
 - 1. Insurance salespeople, advertising practitioners and used car salespeople are the lowest rated job categories in perceived honesty and ethical standards.
 - 2. What about you? Take Dr. Futrell’s poll ([//futrell-www.tamu.edu](http://futrell-www.tamu.edu)):
 - a. What does the general public think about salespeople?
 - b. What do you think about salespeople?
 - c. After graduation, would you accept a sales job?
 - d. The main reasons for low marks may be greed and lack of trustworthiness.

II. A NEW DEFINITION OF PERSONAL SELLING refers to the personal communication of information to *unselfishly* persuade a prospective customer to buy something—a good, a service, an idea or something else—which satisfies that individual’s needs.

- A. Think of your grandmother. Would you mistreat your grandmother in a sales transaction?
- B. Salespeople should handle their customers with unselfish and ethical service.

III. THE GOLDEN RULE OF PERSONAL SELLING refers to the sales philosophy of unselfishly treating others as you would like to be treated.

- A. There are different views of the Golden Rule:
 - 1. Negative form: “If you don’t like to get cheated in a purchase, don’t

cheat others.”

2. Positive form: “If you like to receive the best price, then offer the best price to your customers.”
 3. The Golden Rule is all about trying to keep somebody else warm even if it means that we get cold in the process.
 4. Salesperson differences can be explained by the individual’s level of self-interest.
- B. Everybody sells.
1. You develop communications techniques for getting your way in life.
 2. Your ability to communicate effectively is a key to success in life.
- IV. WHAT SALESPEOPLE ARE PAID TO DO
- A. Salespeople need to sell something “today” to meet performance goals for:
1. Themselves.
 2. Their employer.
 3. Their customers.
- V. WHY CHOOSE A SALES CAREER?
- A. There are six major reasons for choosing a career in sales:
1. The opportunity to provide service to others.
 2. The variety of jobs available.
 3. Freedom of being on your own.
 4. The challenge of selling.
 5. The opportunity for advancement.
 6. The rewards from a sales career.
- B. Providing service means helping others.
1. A sales career provides the opportunity for service and an emotional purpose in life gained from helping others.
 - a. For many, service is the number one reason for choosing a sales career.
 - b. Service refers to making a contribution the welfare of others.
- C. Types of sales jobs:
1. Selling in retail - A retail salesperson sells goods or services to

consumers for their personal, non-business use.

- a. Three common types of retail sellers:
 - (1) In-store salespersons.
 - (2) Direct sellers who sell face-to-face away from a fixed location.
 - (3) Telephone salespersons.
- 2. Selling for a wholesaler - Wholesalers buy products from manufacturers and other wholesalers and sell to other organizations.
 - a. A wholesaler salesperson sells products to parties for:
 - (1) Resale.
 - (2) Use in producing other goods or services.
 - (3) Operating an organization.
 - b. Firms engaged in wholesaling are called wholesaling middlemen. They vary greatly in:
 - (1) The products they sell.
 - (2) The markets to which they sell.
 - (3) Their methods of operation.
- 3. Types of manufacturer's sales representatives:
 - a. Account representatives - call on a large number of already established customers.
 - b. A detail salesperson - concentrates on performing promotional activities and introducing new products rather than directly soliciting orders.
 - c. A sales engineer - sells products that call for technical know-how.
 - d. An industrial products salesperson (non-technical) sells tangible products to industrial buyers.
 - e. A service salesperson - sells intangible products such as financial services, advertising, or computer repair services.
 - f. An order-getter - gets new and repeat business using creative sales strategy and a well-executed sales presentation.
 - (1) An order-getter has two selling challenges:
 - (a) Must often create discontent with what the prospect already

has before beginning to sell constructively.

- (b) Often has to overcome the most powerful and obstinate resistance.
 - g. An order-taker - asks what the customer wants or waits for the customer to order.
 - D. Freedom of Action - You're on your own with very little direct supervision.
 - E. The Job Challenge is always there, which means great responsibility.
 - F. Opportunities for advancement are great.
 - 1. Some companies promote salespeople to managerial positions very quickly. For most companies the path to a sales management position begins with an entry level position.
 - a. A sales personnel career path.
 - (1) Junior or trainee level.
 - (a) Learn the attitudes and activities of the company's salespeople.
 - (b) Become familiar with customer's attitudes toward the company, its products, and its salespeople.
 - (c) Gain first-hand knowledge of products and their application.
 - (d) Become seasoned in the world of business.
 - (2) Regular sales position.
 - (3) Senior sales positions or key account sales positions contact larger, more important customers.
 - 2. There are two career paths:
 - a. Permanent salespeople.
 - b. Management.
- G. Rewards - The sky's the limit!
 - 1. Two types of rewards:
 - a. Non-financial (i.e. psychological income or intrinsic rewards).
 - (1) Feeling of self-worth and accomplishment.
 - (2) Realization that the job is important.

b. Financial:

- (1) The opportunity to earn large salaries.
- (2) Rewarded on basis of performance.
- (3) Comparatively large beginning salaries.
- (4) Overall, salaries for field sales personnel have been moving rapidly upward.

H. You can move quickly into management.

1. District sales manager.
 - a. First managerial level.
 - b. Promotion usually occurs within the first three years.
2. Compensation of sales managers.
 - a. A beginning sales job is the stepping stone to higher positions and higher salaries.
 - b. Both corporate and field sales managers receive higher salaries than others at the same organizational level.

VI. IS A SALES CAREER RIGHT FOR YOU?

A. Seven questions to ask yourself:

1. What are my past accomplishments?
2. What are my future goals?
3. Do I want to have the responsibility of a sales job?
4. Do I mind travel? How much travel is acceptable?
5. How much freedom do I want in the job?
6. Do I have the personality characteristics for the job?
7. Am I willing to transfer to another city? Another state?

B. Once you have answered these questions, you should:

1. Determine the industries, types of products and services, and specific companies in which you have an interest.
2. Talk to people presently or formerly involved in sales.

C. A Sales Manager's view of the recruit.

1. What are the applicants judged on?
 - a. Appearance

b. Communication skills

- c. Maturity
- d. Personality
- e. Experience
- f. Enthusiasm
- g. Interest in the job

VII. SUCCESS IN SELLING-WHAT DOES IT TAKE?

- A. Think of success spelled with four s's as in "ssuccess".
1. **S** - Success begins with love.
 - a. The successful salesperson is an individual who loves selling.
 - b. Of the eight, love is the number one characteristic of successful salespeople.
 2. **S** - Service to others - Salespeople love to help others fulfill their needs through selling their products.
 3. **U** - Use the Golden Rule of Selling.
 - a. Today's salesperson needs to treat others as he would like to be treated.
 - b. People like to buy, not be sold.
 4. **C** - Communication ability.
 - a. Good salespeople are good communicators. Great salespeople are great communicators.
 - b. Top salespeople speak the other person's language.
 5. **C** - Characteristics for the Job - It helps if you possess the personal characteristics needed for a sales career.
 6. **E** - Excels at strategic thinking.
 - a. High performing salespeople tend to be strategic problem solvers for their customers.
 - b. Match up product's benefits with customer's needs.
 7. **S** - Sales knowledge at the M.D. level.
 - a. Top salespeople have mastered the basic competencies of product

knowledge and selling skills.

- b. As goods and services become more complex, companies place more emphasis on the training of salespeople.
 - c. Knowledge is power, but enthusiasm pulls the switch.
8. **S** - Stamina for the challenge.
- a. Today's salesperson needs to be physically, mentally and spiritually prepared to meet the daily challenges of a sales career.
 - b. The increased feeling of well-being gained from exercise transmits itself to the body and mind.
 - c. People's faith may direct everything they do on the job, ranging from how customers are treated to how ethical they act toward their employer.

VIII. Back to CHARACTERISTICS FOR THE JOB. A salesperson can choose to be like the traditional salesperson we all do not care for, or he or she can be like the salesperson who is truly people oriented.

- A. Caring, Joy and Harmony. Through caring comes the joy of helping others.
- B. Patience, Kindness and Morally Ethical.
 - 1. Let the customer decide when to buy instead of pressuring for a quick decision.
 - 2. By showing that customers come first, salespeople are more likely to gain the trust of the customer.
- C. Faithful, Fair, and Self-Controlled.
 - 1. The salesperson will spend the time necessary to help, not just to make the sale and never be heard from again.
 - 2. Self-control should be exhibited in closing a sale - Is consideration only given to the salesperson's needs and thus pressure placed on the customer to buy something not needed?
 - 3. Self-control involves discipline.
 - a. Often the biggest challenge to success is not out there in the sales territory, it's within us.
 - b. Discipline yourself to set priorities in your life - What comes first,

your job or your family?

Do success characteristics describe you?

Only your self-imposed limitations can hold you back.

Move something from the impossible to the possible. Go beyond the limits!

IX. RELATIONSHIP SELLING.

A. The salesperson of today is a pro.

1. Relationship selling - the process of professionally providing information for helping customers make intelligent actions to achieve their short- and long-term objectives.
2. Four main elements (**ABC's**) in the customer relationship process used by salespeople to build relationships are:
 - a. Analyze customer needs.
 - b. Present product **B**enefits.
 - c. Gain **C**ommitment for the purchase.
 - d. Provide excellent **S**ervice in order to maintain and grow the relationship.

B. Sales jobs are different from other jobs in several ways.

1. Since salespeople represent their company, opinions of a company and its products are often based on the salespeople.
2. The outside salesperson typically operates with little direct supervision and needs a high degree of motivation.
3. Salespeople probably need more tact, diplomacy, and social poise.
4. Salespeople are authorized to spend company funds on entertainment, transportation, and other business expenses.
5. Selling requires mental toughness and physical stamina.

X. WHAT DOES A PROFESSIONAL SALESPERSON DO?

A. A Territory Manager plans, organizes, and executes activities that increase the sales and profits in his territory (i.e. a group of customers assigned to him in a geographical area).

B. A territorial manager performs nine functions:

1. Creates new customers.

- a. Locate people and/or organizations that have the potential to buy their products
 - b. Needs the ability to close the sale.
2. Sells more to current customers.
3. Builds long-term relationships with customers - Earning the opportunity to sell a present customer more product means the salesperson must have a professional relationship with people and organizations.
4. Provides solutions to customers' problems - Shows how these problems can be solved through the purchase of his company's products and services.
5. Provides service to customers such as:
 - a. Handling complaints.
 - b. Returning damaged merchandise.
 - c. Providing samples.
 - d. Suggesting business opportunities.
 - e. Recommending promotional techniques.
 - f. Working at the customer's business.
 - g. In-store demonstrations.
 - h. Accompany distributor's salespeople on sales calls.
6. Helps customers resell products to their customers.
 - a. Contacts both wholesale customers (distributors) and their retail customers.
 - b. Develops promotional programs for retail customers such as:
 - (1) Advertising materials.
 - (2) Store demonstrations.
 - (3) Setting up product displays.
7. Helps customers use products after purchase - Help the customer obtain full benefit from the product.
8. Builds goodwill with customers - Develops a personal, friendly, business relationship with anyone who may influence a buying decision.

9. Provides company with market information such as:

- a. Competitor's activities.
- b. Customers' reactions to new products.
- c. Complaints about products and policies.
- d. Market opportunities.
- e. His own job activities.

XI. REFLECT BACK - Review these nine functions to see what they mean and if you could do any or all of them. Carefully think about the second and third functions. To be successful, a salesperson must close sales and build relationships with the same person and/or organization in order to see more business. When combined and properly implemented, these nine job activities produce increased sales for the organization and more rewards for the salesperson.

XII. THE FUTURE FOR SALESPEOPLE.

A. Learning selling skills.

- 1. Both an art and a science.
 - a. Requires practice.
 - b. Requires training.
- 2. Conceptual skills - ability to see selling process as a whole and relationships among its parts.
- 3. Human skills - ability to work with and through others.
- 4. Technical skills - understanding and being proficient at specific tasks.

B. Preparing for the 21st Century - Changes are occurring which will require salespeople to be knowledgeable in new areas such as:

- 1. International dealings.
- 2. Sales force's reflecting customer diversity.
- 3. Customer partnering to keep current customers.
- 4. Increasing use of technology (e-selling).
- 5. Ethical Megatrends.

XIII. THE PLAN OF YOUR TEXTBOOK.

A. This book will provide the student with the fundamentals of what Selling is all about.

B. Major topics include:

1. The role of the sales force in the firm's marketing efforts.
2. The social, ethical, and legal issues in selling.
3. Why people and organizations buy what they do.
4. Verbal and non-verbal communications.
5. The importance of knowing your own, and your competitor's products.
6. An in-depth discussion of the selling process.
7. Self, time, and sales territory management.
8. Important functions of sales management.

XIV. BUILDING RELATIONSHIPS THROUGH THE SALES PROCESS

A. The sales process refers to a logical, sequential series of actions that can greatly increase the chances of making a sale.

B. Ten steps in the selling process:

1. Prospecting
2. Preapproach
3. Approach
4. Presentation
5. Trial Close
6. Objections
7. Meet Objections
8. Trial Close
9. Close
10. Follow-up

CHAPTER I APPENDIX

The Golden Rule of Personal Selling as Told by a Salesperson

I. THE GOLDEN RULE OF SELLING

- A. Base your sales philosophy on unselfishly treating others as you would like to be treated.

II. OTHERS INCLUDE COMPETITORS

- A. The Golden Rule of Selling especially applies to your relationship with competitors.
- B. If your products do not fulfill a customer's needs, then possibly suggest or discuss a competitor's product.

III. SALES IS YOUR CALLING TO SERVE

- A. Your occupation is not work – it's what you do. It defines who you are.
- B. Serving others provides you with an emotional purpose in life.

IV. TO SERVE YOU NEED KNOWLEDGE

- A. Being knowledgeable on products and selling skills allows you to provide a high level of customer service.

V. CUSTOMERS NOTICE INTEGRITY

- A. Your customers trust that you are looking out for their best interest because you are a person of integrity.
- B. To you, integrity is who you are when no one is looking.

VI. PERSONAL GAIN IS NOT YOUR GOAL

- A. You are never concerned about sales goals, only customers.

VII. OTHERS COME FIRST

- A. Build up a reputation as a volunteer in your community.

VIII. THE GOLDEN RULE IS NOT

- A. Corruptible It Is Not
 - 1. It is composed of pure gold. There are no impurities in it.
- B. Self-Serving It Is Not
 - 1. There is no reciprocity involved in applying the Golden Rule to anything.

C. Comprehensive It Is Not

1. There is more involved in being a good person. It will not solve every problem.

D. Easy To Follow It Is Not

IX. THE GREAT HARVEST LAW OF SALES

A. How you treat others will often determine how you will be treated.

B. Small acts of kindness towards someone over time often results in returns greater than were sown.

C. Golden Rule Paradox

1. By placing customers first, you often will see increases in sales, greater compensation, and better job opportunities.
2. You actually receive more than given to the customer or employer.

X. THE COMMON DENOMINATOR OF SALES SUCCESS

A. The **common denominator** (trait) of successful salespeople

1. Unselfishly and sacrificially “caring” for prospects, and others, by placing their interests before our desires.

XI. THE FRUITS OF THE SELLING SPIRIT

A. Applying the Golden Rule to work and life results in a fruitful life.

CHAPTER 2

Relationship Marketing: Where Personal Selling Fits

LECTURE OUTLINE

- I. WHAT IS THE PURPOSE OF BUSINESS?
 - A. The purpose of business is to increase the general well-being of humankind through the sale of goods and services.
 - B. This requires making a profit in order to operate the business and provide beneficial products to the marketplace.
 - C. Profit is a means to an end.
 - D. Two major functions of business are:
 1. The production of goods or creation of services.
 2. The marketing of goods and services.
 - E. The Primary Goal of Business
 1. Transform the marketplace and workplace into an environment where everyone is treated fairly.
- II. WHAT IS MARKETING?
 - A. To be successful, businesspeople must do two things:
 1. Determine people's needs and wants.
 2. Produce goods and services that satisfy them.
 - B. Marketing – the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. It involves a diverse set of activities such as:
 1. The development of products (products refer to goods or services).
 2. The pricing of products.
 3. The promotion of products.
 4. The distribution of products.
 - C. Marketing is not limited to business - Anytime you try to persuade someone to

do something, you are marketing.

D. Exchanges and Transactions.

1. Exchanges - obtaining desired products through transactions.

2. Transactions - trades of value.
3. Relationships - formed through exchanges and transactions.

III. CUSTOMER ORIENTATION'S EVOLUTION.

A. The transformation to a customer-oriented attitude.

1. The Production Concept.
 - a. Pre-Great Depression, 1930's.
 - b. "If you build a better mouse trap, the world will beat a path to your door."
2. The Selling Concept.
 - a. Early 1940's through WWII.
 - b. Products produced without regard for customer needs.
 - c. Began advertising and personal selling which emphasized product knowledge.
3. The Marketing Concept.
 - a. Began in the 1950's.
 - b. Three fundamental beliefs:
 - (1) Customer oriented planning and operations.
 - (2) The company's goal should be profitable sales volume.
 - (3) Organizationally coordinated marketing.
 - c. Marketing concept - customer's want-satisfaction is economic and social justification for existence.
 - d. Difference between Selling and Marketing concepts.
 - (1) Selling—emphasis on product.
 - (2) Marketing—emphasis on customers' wants.

IV. MARKETING'S IMPORTANCE IN THE FIRM

- A. Product must be marketed to consumers before its full value is realized.
- B. Marketing people have four objectives to accomplish:
 1. Maximize sales of existing products in existing markets.
 2. Develop and sell new products.
 3. Develop new markets for existing or new products.

4. Provide the quality of service necessary for customers to be satisfied with their transaction.
- C. Marketing generates sales.
 - D. Marketing provides quality customer service.
- V. ESSENTIALS OF A FIRM'S MARKETING EFFORT
- A. To determine the needs of their customers.
 - B. To create and maintain an effective marketing mix that satisfies customer needs.
 - C. Marketing Mix Elements:
 1. Product.
 2. Price.
 3. Distribution or Place.
 4. Promotion.
 - D. Product - It's more than you think.
 1. Value-added Benefits - benefits received that are not included in the purchase price of the individual good or service.
 2. Consumer products.
 3. Industrial products.
 - E. Price - Value or worth of a product - It's Important to Success.
 - F. Distribution - the channel structure used to transfer products from an organization to its customers.
 1. Customers fall into three groups:
 - a. Households.
 - b. Firms.
 - c. Governments.
 2. Resellers are:
 - a. Wholesalers.
 - b. Retailers.
 - G. Promotion - increases company sales by communicating product information to potential customers.

1. The four parts of the promotion effort are:

- a. Personal selling.
- b. Advertising.
- c. Publicity.
- d. Sales promotion.

H. Goal of the Marketing Mix - to provide the right product, price, time, and promotion.

I. Coordination is important.

VI. RELATIONSHIP MARKETING

A. Emphasis on creating customers for tomorrow.

B. Relationship Marketing - creation of customer loyalty. Organizations use a combination of products, price distribution, promotions, and service to achieve this goal. This is based on the idea that important customers need continuous attention.

VII. RELATIONSHIP MARKETING AND THE SALES FORCE

A. The four basic questions used as guidelines in defining the role of the sales force are:

1. How much selling effort is necessary to gain and hold customers?
2. Is the sales force the best marketing tool?
3. What type of sales activities will be necessary?
4. Can the firm gain strength relative to its competition with its sales force?

B. Personal Selling builds relationships.

1. The two main functions of personal selling are:

- a. Generate revenue.
- b. Provide services to satisfy customers.

2. Personal Selling:

- a. Is flexible in operation.
- b. Is focused on prospective customers.
- c. Results in actual sales.

C. Salespeople implement relationship marketing.

VIII. LEVELS OF CUSTOMER RELATIONSHIP MARKETING

A. Three general levels:

1. Transaction selling - the customer is sold to and not contacted again.
2. Relationship selling - the customer is contacted after the purchase to determine satisfaction and future needs.
3. Partnering - the seller works to continually improve the customer's business.

IX. PARTNERING WITH CUSTOMERS

- A. The criteria which encourages buyers and sellers to share information:
1. Individual Excellence - both partners add value, and their motives are positive rather than negative.
 2. Importance - both partners want the relationship to work because it helps them meet long-term strategic objectives.
 3. Interdependence - the partners need each other to reach their goal.
 4. Investment - the partners devote financial and other resources to the relationship.
 5. Information - the partners communicate openly about goals, technical data, problems and changing situations.
 6. Integration - the partners develop shared ways of operating; they teach each other and learn from each other.
 7. Institutionalization - the relationship has formal status with clear responsibilities.
 8. Integrity - both partners are trustworthy and honorable.

X. THE NEW CONSULTATIVE SELLING

- A. Consultative Selling vs. Traditional Selling:
1. Consultative Selling - the process of helping the customer achieve strategic short and long-term goals through the use of the seller's good and/or service.
 2. Traditional selling - the process of strictly gaining and maintaining sales with a customer. There is a minimal amount of involvement between the customers and the salesperson.
- B. Three Roles of Consultative Selling:

1. Team leaders - coordinate information, resources, and activities needed to support customers before, during, and after the sale.
2. Business Consultants - give advice and service.
3. Long-term allies - act as helpers in meeting customers' needs and filling Customer-Seller Relationship Gaps which are buyer-seller post-sale levels of concern for each other.
 - a. The buyer's concern is usually high.
 - b. The seller's concern often decreases.

XI. E-SELLING: TECHNOLOGY AND INFORMATION BUILDS RELATIONSHIPS
 - through an increased use of technology, salespeople are becoming faster, better informed, and ultimately more profitable employees.

XII. WHAT'S A SALESPERSON WORTH? - Salespeople:

- A. Close deals.
- B. Generate revenue to keep the organization in business.

XIII. THE KEY TO SUCCESS

- A. Excellent salespeople know and satisfy target customers' needs. These needs are:
 1. Identified by marketing.
 2. Satisfied by salespeople.
- B. Salespeople are aided by the 4 P's of Marketing:
 1. Product - provided by the company.
 2. Price and Place - determined by the buyer-seller combination.
 3. Promotion - informs buyers about the product.
- C. The salesperson should personally contact the buyer to:
 1. Analyze needs.
 2. Present product benefits.
 3. Gain commitment or close the sale.
 4. Provide service to ensure customer satisfaction.

CHAPTER 3