

Contents

Preface xviii

About the Authors xxvi

PART I Developing a Personal Selling Philosophy for the New Economy 1

1 PERSONAL SELLING TODAY: Introduction and Overview 2

Personal Selling in the Age of Information 3

Personal Selling—A Definition and a Philosophy 5

Value Personal Selling 6

Personal Selling and the Marketing Concept 7

The Evolution of Consultative Selling 7

The Evolution of Strategic Selling 10

The Evolution of Relationship Selling 12

Integrated Marketing Communications Enhances Relationship Selling 14

High Ethical Standards Enhance Relationship Selling 15

Technology Enhances Relationship Selling 15

Strategic Account Programs and Relationship Selling 16

Value Creation—The New Selling Imperative 16

The Strategic/Consultative Selling Model 17

Developing a Relationship Strategy 17

Developing a Product Strategy 20

Developing a Customer Strategy 20

Developing a Presentation Strategy 22

Interrelationship of Basic Strategies 23

Summary 24

Key Terms 24

Review Questions 25

Application Exercises 25

CRM Application Exercise: Installing CRM Software 25

Case Problem 26

Partnership Selling: A Role Play/Simulation 27

2 PERSONAL SELLING OPPORTUNITIES 28

Personal Selling Opportunities in the Age of Information 29

Customer Service Representatives 29

Professionals	30
Entrepreneurs	31
Managerial Personnel	31
Your Future in Personal Selling	32
Rewarding Aspects of Selling Careers	34
Above-Average Income	34
Above-Average Psychic Income	35
Opportunity For Advancement	36
Opportunities for Women	36
Opportunities for Minorities	37
Employment Settings in Selling Today	37
Selling a Service	38
Selling for a Retailer	40
Selling for a Wholesaler	41
Inside Salesperson	41
Outside Salesperson	42
Selling for a Manufacturer	42
Field Salesperson	42
Sales Engineer	42
Detail Salesperson	43
Inside Salesperson	43
Learning to Sell	43
Summary	46
Key Terms	46
Review Questions	47
Application Exercises	47
CRM Application Exercise: Learning CRM Software	48
Case Problem	48

PART II Developing a Relationship Strategy 50

3 CREATING VALUE with a Relationship Strategy 52

Developing a Relationship Strategy	52
Adding Value with a Relationship Strategy	53
Partnering—The Highest Quality Selling Relationship	56
Relationship Strategies Focus on Four Key Groups	57
Developing Thought Processes that Enhance Your Relationship Strategy	59
Self-Image—An Important Dimension of the Relationship Strategy	59
Self-Image and Success	59
The Win-Win	60
Character and Integrity	62
Nonverbal Strategies that Improve Relationships	62
The Effect of Body Language on Relationships	63
Entrance and Carriage	64
Shaking Hands	64
Facial Expressions	65
The Effect of Appearance on Relationships	65

Simplicity	66
Appropriateness	67
Quality	67
Visual Integrity	68
The Effect of Voice Quality on Relationships	68
The Effect of Manners on Relationships	69
Conversational Strategies that Enhance Relationships	69
Comments on Here and Now Observations	70
Compliments	70
Search for Mutual Acquaintances or Interests	70
Strategies for Self-Improvement	70
Summary	72
Key Terms	73
Review Questions	73
Application Exercises	73
CRM Application Exercise: Preparing Letters with CRM	74
4 Communication Styles: Managing the Relationship Process	76
Communication Styles—An Introduction to Managing Selling Relationships	77
Communication-Style Bias	77
Communication-Style Principles	78
Improving Your Relationship-Management Skills	79
Communication-Style Model	80
Dominance Continuum	81
Sociability Continuum	81
Four Styles of Communication	83
Popularity of the Four-Style Model	89
Determining Your Communication Style	89
Managing Communication-Style Bias	90
How Communication-Style Bias Develops	90
Mature and Immature Behaviour	91
Strength/Weakness Paradox	91
Developing Communication-Style Flexibility	94
Selling to Emotives	95
Selling to Directors	95
Selling to Reflectives	95
Selling to Supportives	96
A Word of Caution	96
Summary	97
Key Terms	97
Review Questions	97
Application Exercises	98
Case Problem	99
5 ETHICS: The Foundation for Relationships in Selling	100
Making Ethical Decisions	100
Character Strength	101
Ethics—A Historical Perspective	101

Factors Influencing the Ethics of Salespeople	103
Provincial and Federal Laws	104
Top Management as Role Model	108
Company Policies and Practices	109
The Sales Manager as Role Model	113
The Salesperson's Personal Values	114
Toward a Personal Code of Ethics	115
Summary	118
Key Terms	118
Review Questions	118
Application Exercises	119
CRM Application Exercise: Preparing Mailing Labels with CRM	119
Case Problem	119

PART III Developing a Product Strategy 122

6 CREATING PRODUCT SOLUTIONS 124

Developing a Product Strategy	124
Adding Value with a Product Strategy	125
The Explosion of Product Options	125
Creating Solutions with Product Configuration	126
Preparing Written Proposals	127
Becoming a Product Expert	128
Product Development and Quality Improvement Processes	129
Performance Data and Specifications	131
Maintenance and Service Contracts	132
Price and Delivery	132
Know Your Company	132
Company Culture and Organization	135
Company Support for Product	135
Know Your Competition	136
Your Attitude Toward Your Competition	136
Become an Industry Expert	137
Sources of Product Information	138
Product Literature	138
Sales Training Meetings	139
Plant Tours	139
Internal Sales and Sales Support Team Members	140
Customers	140
The Product	140
The Internet	141
Publications	141
A Word of Caution	141
Adding Value with a Feature-Benefit Strategy	141
Distinguish Between Features and Benefits	142
Use Bridge Statements	142
Identify Features and Benefits	144
Feature-Benefit Approach Complements Consultative Selling	146

Summary	146
Key Terms	146
Review Questions	147
Application Exercises	147
CRM Application Exercise: Finding Product Information in CRM	148
Case Problem	148
Partnership Selling: A Role Play/Simulation	149

7 DEVELOPING PRODUCT-SELLING STRATEGIES 150

Product Positioning—A Personal Selling Strategy	151
The Essentials of Product Positioning	151
Achieving Product Differentiation in Personal Selling	151
Redefining “Product” in the Age of Information	152
Product-Positioning Options	155
Positioning New and Emerging Products versus Mature and Well-Established Products	155
Selling New and Emerging Products	156
Selling Mature and Well-Established Products	157
Positioning Products with a Price Strategy	158
Transactional Selling Tactics That Emphasize Low Price	158
Consequences of Using Low-Price Tactics	160
The Influence of Electronic Business on Pricing	160
Positioning Your Product with a Value-Added Strategy	161
Value Added—A New Challenge for Salespeople	162
Selling the Value-Added Product	164
Generic Product	164
Expected Product	164
Value-Added Product	165
Potential Product	166
Adding Value—A Future Perspective	167
Summary	169
Key Terms	169
Review Questions	169
Application Exercises	170
CRM Application Exercise: Informing Customers with CRM	170

PART IV Developing a Customer Strategy 172

8 UNDERSTANDING CUSTOMER BEHAVIOUR 174

Developing a Customer Strategy	174
Adding Value with a Customer Strategy	175
The Complex Nature of Customer Behaviour	176
How Customers Make Buying Decisions	176
The Buyer Action Theory	176
The Buyer Resolution Theory	179
The Need-Satisfaction Theory	180

Forces That Influence a Customer's Buying Decisions	182
Individual Needs Help Shape Customer Behaviour	182
Physiological Needs	183
Security Needs	184
Social Needs	184
Esteem Needs	184
Self-Actualization Needs	184
Group Influences Help Shape Customer Behaviour	185
Role Influence	185
Reference Group Influence	186
Social Class Influence	186
Cultural Influence	186
Perception—How Customer Needs Are Formed	187
Buying Decisions Result from Buying Motives	188
Emotional versus Rational Buying Motives	189
Emotional Buying Motives	189
Rational Buying Motives	190
Patronage Versus Product Buying Motives	191
Patronage Buying Motives	192
Product Buying Motives	192
Discovering an Individual's Buying Motives	193
Questions	194
Listening	194
Observation	194
Buying Decisions May Involve Many People	195
Summary	196
Key Terms	197
Review Questions	197
Application Exercises	197
CRM Application Exercise: Managing Multiple Contacts with CRM	198
Case Problem	198
9 DEVELOPING A PROSPECT BASE	200
Prospecting—An Introduction	201
The Importance of Prospecting	201
Prospecting Requires Planning	202
The Prospecting Attitude	202
Sources of Prospects	204
Referrals	205
Endless Chain Referrals	205
Referral Letters and Cards	206
Friends, Family Members, and Centres of Influence	206
Directories	207
Trade Publications	209
Trade Shows	209
Telemarketing	210
Direct Response Advertising and Sales Letters	210
Web Sites	210

Computerized Databases	211
Cold Calling	212
Networking	212
Educational Seminars	214
Prospecting by Non-sales Employees	214
Combination Approaches	214
Qualifying the Prospect	215
Organizing Your Prospect Information	216
The Prospect as an Individual	218
The Prospect as a Business Representative	218
Developing a Prospecting and Sales Forecasting Plan	219
Summary	220
Summary	220
Key Terms	221
Review Questions	221
Application Exercises	221
CRM Case Study: Reviewing the Prospect Database	222
Case Problem	223

PART V Developing a Presentation Strategy 224

10 APPROACHING THE CUSTOMER	226
Developing the Presentation Strategy	227
Adding Value with a Presentation Strategy	228
Planning the Preapproach	228
Establishing Presentation Objectives	229
Factors Influencing Presentation Objectives	230
Team versus One-Person Presentation Objectives	232
Selling to a Buying Team	233
Informative, Persuasive, and Reminder Presentation Objectives	233
Developing the Six-Step Presentation Plan	235
Planning the Presentation	235
Customizing the Presentation	235
The Approach	237
Attention—Today’s Scarce Resource	238
The Telephone Contact	238
Effective Use of Voice Mail	241
The Social Contact	241
Developing Conversation	242
The Business Contact	242
Product Demonstration Approach	243
Referral Approach	243
Customer Benefit Approach	244
Question Approach	244
Survey Approach	245
Combination Approaches	247
Dealing with the “Bad-Timing” Response	248

Coping with Sales Call Reluctance	248
Summary	249
Key Terms	249
Review Questions	249
Application Exercises	250
CRM Application Exercise: Planning Personal Visits	250
Case Problem	251
CRM Case Study: Establishing Your Approach	253
Partnership Selling: A Role Play/Simulation	253
11 CREATING THE CONSULTATIVE SALES PRESENTATION	254
The Consultative Sales Presentation	255
Part One—Need Discovery	256
Part Two—Selection of the Product	257
Part Three—Need Satisfaction through Informing, Persuading, or Reminding	257
Part Four—Servicing the Sale	257
Need Discovery	258
Asking Questions	259
Information-Gathering Questions	259
Probing Questions	260
Confirmation Questions	263
Summary Confirmation Questions	263
Eliminating Unnecessary Questions	265
Listening and Acknowledging the Customer's Response	266
Developing Active Listening Skills	266
Establishing Buying Motives	267
Selection of the Product	267
Match Specific Benefits with Buying Motives	268
Configure a Solution	268
Make Appropriate Recommendations	269
Recommend Product—Customer Buys Immediately	269
Recommend Product—Salesperson Makes Need-Satisfaction Presentation	270
Recommend Another Source	270
Need Satisfaction—Selecting a Presentation Strategy	271
Informative Presentation Strategy	271
Persuasive Presentation Strategy	272
Reminder Presentation Strategy	273
Guidelines for Developing a Persuasive Presentation Strategy	273
Place Special Emphasis on the Relationship	273
Sell Benefits and Obtain Customer Reactions	274
Minimize the Negative Impact of Change	275
Place the Strongest Appeal at the Beginning or End	275
Target Emotional Links	275
Use Metaphors, Stories, and Testimonials	275
Guidelines for Creating Effective Presentations	276
Strengthen the Presentation Strategy with an Effective Demonstration	276
Preplan Methods for Negotiating and Closing the Sale	276
Plan for the Dynamic Nature of Selling	277

Keep Your Presentation Simple and Concise 278
 The Consultative Sales Presentation and the Transactional Buyer 279
 Summary 281
 Key Terms 281
 Review Questions 282
 Application Exercises 282
 CRM Application Exercise: Printing the Customer Database 283
 Case Problem 283
 CRM Case Study: Planning Presentations 284
 Partnership Selling: A Role Play/Simulation 285

12 CUSTOM FITTING THE SALES DEMONSTRATION 286

The Importance of the Sales Demonstration 286
 Improved Communication and Retention 287
 Proof of Buyer Benefits 289
 Feeling of Ownership 289
 Other Benefits 290
 Planning Effective Demonstrations 290
 Use Custom-Fitted Demonstrations 290
 Choose the Right Setting 291
 Check Sales Tools 292
 Cover One Idea at a Time 292
 Appeal to All Senses 292
 Balance Telling, Showing, and Involvement 294
 Develop Creative Demonstrations 295
 Rehearse the Demonstration 295
 Sales Tools for Effective Demonstrations 296
 The Product Itself 296
 Models 296
 Photos and Illustrations 297
 Portfolio 297
 Reprints 297
 Graphs, Charts, and Test Results 298
 Laptop Computers and Demonstration Software 299
 Enhancing Demonstrations with PowerPoint 299
 Creating Electronic Spreadsheets 300
 Audiovisual Technology 300
 The Internet 302
 Bound Paper Presentations 302
 Summary 304
 Key Terms 304
 Review Questions 304
 Application Exercises 305
 Case Problem 305
 CRM Case Study: Custom Fitting the Demonstration 306
 Partnership Selling: A Role Play/Simulation 307

13 NEGOTIATING BUYER CONCERNS 308

- Negotiating Buyer Concerns and Problems 308
 - Negotiation—Part of the Win-Win Relationship Strategy 309
 - Negotiation is a Process 310
- Common Types of Buyer Concerns 311
 - Concerns Related to Need for the Product 311
 - Concerns Related to Product 313
 - Concerns Related to Source 314
 - Concerns Related to Price 315
 - Coping with Buyers Who Are Trained In Negotiation 315
 - Negotiating Price with a Low-Price Strategy 317
 - How to Deal with Price Concerns 317
 - Concerns Related to Time 320
- General Strategies for Negotiating Buyer Concerns 321
 - Anticipate Buyer Concerns 322
 - Know the Value of What You Are Offering 322
 - Prepare for Negotiations 323
 - Understand the Problem 323
 - Create Alternative Solutions 324
 - Find Some Point of Agreement 325
 - Do Not Destroy Your Relationship Strategy with Anger 325
- Specific Methods of Negotiating Buyer Concerns 325
 - Direct Denial 325
 - Indirect Denial 326
 - Feel-Felt-Found 327
 - Questions 327
 - The Superior Benefit 328
 - Demonstration 328
 - Trial Offer 328
 - Third-Party Testimony 330
 - Combination Methods 330
 - Summary 330
 - Key Terms 331
 - Review Questions 331
 - Application Exercises 331
 - CRM Application Exercise: Finding Keywords in a CRM Database 332
 - CRM Case Study: Negotiating Resistance 332
 - Partnership Selling: A Role Play/Simulation 333

14 CLOSING THE SALE AND CONFIRMING THE PARTNERSHIP 334

- Developing an Attitude Toward Closing the Sale 334
 - Looking at Closing from the Prospect's Point of View 336
 - Closing the Sale—The Beginning of the Partnership 336
- Guidelines for Closing the Sale 337
 - Focus on Dominant Buying Motives 337
 - Negotiate the Tough Points before Attempting the Close 337
 - Longer Selling Cycles Require More Patience 338
 - Avoid Surprises at the Close 339

Do Not Isolate the Prospect During the Sale	340
Display a High Degree of Self-Confidence at the Close	340
Ask for the Order More than Once	340
Recognize Closing Clues	341
Specific Methods for Closing the Sale	343
Trial Close	343
Summary-of-Benefits Close	344
Assumption Close	344
Special Concession Close	346
Multiple Options Close	347
Direct Appeal Close	348
Combination Closes	348
Practise Closing	349
Confirming the Partnership when the Buyer Says Yes	349
What to Do When the Buyer Says No	350
Prepare the Prospect for Contact with the Competition	351
Analyze Lost Sales	352
Summary	353
Key Terms	353
Review Questions	353
Application Exercises	354
CRM Application Exercise: Adding and Deleting Prospects	354
Case Problem	355
CRM Case Study: Forecasting the Close	356
Partnership Selling: A Role Play/Simulation	357
15 SERVICING THE SALE AND BUILDING THE PARTNERSHIP	358
Building Long-Term Partnerships with Customer Service	358
Responding to Increased Postsale Customer Expectations	360
The High Cost of Customer Attrition	361
Current Developments in Customer Service	362
Customer Service Methods that Strengthen the Partnership	363
Adding Value with Suggestion Selling	364
How and When to Use Suggestion Selling	366
Cross Selling Used to Grow Sales	368
Adding Value with Following Through	368
Customer Follow-up Methods	370
Preplan Your Service Strategy	374
Partnership-Building Strategies Should Encompass All Key People	374
Solving the Customer's Problem	375
Summary	377
Key Terms	377
Review Questions	377
Application Exercises	378
CRM Case Study: Servicing the Sale with CRM	378
Partnership Selling: A Role Play/Simulation	379

PART VI	Management of Self and Others	380
	16 MANAGEMENT OF SELF: The Key to Greater Sales Productivity	382
	Management of Self—A Four-Dimensional Process	383
	Time Management	383
	Time-Consuming Activities	384
	Time Management Methods	384
	Saving Time with Telephones, Fax Machines, and E-mail	389
	Territory Management	390
	What Does Territory Management Involve?	390
	Sales Call Plans	393
	Records Management	393
	Common Records Kept by Salespeople	393
	Stress Management	395
	Maintain a Positive Attitude	398
	Practise Healthy Emotional Expression	398
	Maintain a Healthy Lifestyle	399
	Summary	400
	Key Terms	401
	Review Questions	401
	Application Exercises	401
	CRM Application Exercise: Corresponding with CRM	402
	Case Problem	402
	CRM Case Study: Managing Yourself with CRM	404
	17 MANAGEMENT OF THE SALES FORCE	405
	Sales Management Functions	406
	Qualities of a Good Sales Manager	406
	Structure	407
	Consideration	408
	Coaching for Peak Performance	409
	Recruitment and Selection of Salespeople	410
	Determine Actual Job Requirements	411
	Search Out Applicants from Several Sources	411
	Select the Best-Qualified Applicant	412
	Orientation and Training	413
	Sales Force Motivation	415
	Compensation Plans	417
	Assessing Sales Force Productivity	420
	Summary	423
	Key Terms	423
	Review Questions	423
	Application Exercises	424
	CRM Application Exercise: Receiving Advice through CRM	424
	Case Problem	425

APPENDIX A	<p>Finding Employment: A Personalized Marketing Plan for the Age of Information 428</p> <p>Research Phase 428</p> <p>Product Development 430</p> <p>Distribution Development 431</p> <p>Source of Potential Employers 431</p> <p>Promotion Development 433</p> <p style="padding-left: 20px;">The Interview 435</p> <p>Price Development 435</p> <p style="padding-left: 20px;">Summary 436</p>
APPENDIX B	<p>Software Installation for Sales Automation Applications 437</p> <p>A Special Note to the Student 437</p> <p style="padding-left: 20px;">RE: Use of Customer Relationship Management (CRM) Software (ACT!) 437</p> <p style="padding-left: 20px;">Instructions for Installing and Using the Customer Relationship Management (CRM) Software 438</p> <p style="padding-left: 20px;">Copying Files to your computer 438</p> <p style="padding-left: 20px;">Launching the Software 438</p> <p style="padding-left: 20px;">Understanding the Software 439</p> <p>Using the ACT! Software with the CRM References throughout the Book 441</p> <p>Notes 442</p> <p>Name Index 456</p> <p>Subject Index 461</p> <p>Credits 467</p>