

Name_____

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

- 1) Which of the following elements of the promotion mix involves making personal connections with customers for the purpose of making sales? 1) _____
- A) e-commerce
 - B) publicity
 - C) advertising
 - D) personal selling
 - E) public relations
- 2) A _____ is an individual acting on behalf of a company who performs one or more of the following activities: prospecting, communicating, servicing, and information gathering. 2) _____
- A) press agent
 - B) marketing director
 - C) sales assistant
 - D) publicist
 - E) salesperson
- 3) _____ involves two-way, personal communication between salespeople and individual customers, either in person, by telephone, or through Web conferences. 3) _____
- A) Personal selling
 - B) Telemarketing
 - C) Advertising
 - D) Integrated marketing communication
 - E) Public relations
- 4) What is the role of a chief revenue, or chief customer, officer? 4) _____
- A) to represent the company to customers
 - B) to represent customers to the company
 - C) to oversee sales
 - D) to oversee both marketing and sales
 - E) to oversee marketing
- 5) A company can unite its marketing and sales functions through all of the following activities EXCEPT _____. 5) _____
- A) having a salesperson preview ads and sales-promotion campaigns
 - B) arranging joint meetings to clarify all aspects of communication
 - C) appointing a chief customer officer to oversee both departments
 - D) sending brand managers on sales calls with a salesperson
 - E) assigning a telemarketer the task of visiting a customer

- 6) When a company sets out to analyze, plan, implement, and control sales force activities, the company is undertaking _____. 6) _____
- A) sales design
 - B) promotional objectives
 - C) sales force management
 - D) group sales efforts
 - E) co-op selling and advertising
- 7) Of the three typical types of sales force structures, which one is often supported by many levels of sales management positions in specific geographical areas? 7) _____
- A) territorial
 - B) complex systems
 - C) product
 - D) prospect
 - E) customer
- 8) All of the following are considered advantages of a territorial sales force structure EXCEPT _____. 8) _____
- A) each salesperson's job is clearly defined
 - B) travel expenses can be minimized
 - C) salespeople have the opportunity and incentive to build strong relationships with customers
 - D) accountability is clearly defined for each salesperson
 - E) salespeople develop in-depth knowledge of a product line
- 9) Which of the following is NOT a disadvantage of a product sales force structure? 9) _____
- A) increased customer delivery time
 - B) extra selling costs involved with multiple sales visits from separate divisions
 - C) overlapping use of resources with big customers
 - D) salespeople spending time to see the same customer's purchasing agents
 - E) B and C
- 10) Companies that use a customer sales force structure organize their salespeople by _____. 10) _____
- A) product
 - B) demand
 - C) hierarchy
 - D) territory
 - E) industry
- 11) Hewlett-Packard's Customer Sales Group (CSG) caused frustration among customers and salespeople. What was the primary problem with the sales force structure of CSG? 11) _____
- A) Salespeople specialized in selling only to specific customers and specific industries.
 - B) The sales department was divided by product lines, which complicated customer service issues.
 - C) Salespeople were responsible for selling all H-P products instead of specializing in a few products.
 - D) Salespeople developed expertise in only one product area, which limited their sales commissions.
 - E) The marketing and sales divisions had overlapping responsibilities, which caused friction.
- 12) What do many companies use to determine sales force size? 12) _____
- A) demographic characteristics of the sales force
 - B) profit margin
 - C) the outside sales force method
 - D) the workload approach
 - E) product availability

- 13) What is the term used to identify the individuals in a company who travel to call on customers in the field? 13) _____
- A) customer sales force
 - B) inside sales force
 - C) outside sales force
 - D) product sales force
 - E) complex sales force
- 14) Members of a company's _____ conduct business from their offices using telephones, e-mails, or visits from prospective buyers to generate sales. 14) _____
- A) outside sales force
 - B) complex sales force
 - C) inside sales force
 - D) product sales force
 - E) customer sales force
- 15) To reduce time demands on their outside sales forces, many companies have increased the size of their inside sales forces, which include technical support people, sales assistants, and _____. 15) _____
- A) accountants
 - B) sales managers
 - C) programmers
 - D) telemarketers
 - E) retail supervisors
- 16) A sales assistant working for an outside sales force will most likely have all of the following duties EXCEPT _____. 16) _____
- A) answering customer's questions when a salesperson is unavailable
 - B) confirming appointments
 - C) providing administrative backup
 - D) determining price points
 - E) following up on deliveries
- 17) According to the opening scenario, the success of CDW Corporation is the direct result of its salespeople _____. 17) _____
- A) working closely with the marketing department to manage accounts
 - B) receiving extensive training on complex computer systems
 - C) developing close, personal relationships with customers
 - D) receiving bonuses based on customer satisfaction surveys
 - E) using Web conferencing and e-mail to assist customers
- 18) The growing trend of using a group of people from sales, marketing, engineering, finance, technical support, and even upper management to service large, complex accounts is known as _____ selling. 18) _____
- A) personal
 - B) department
 - C) multiple
 - D) simultaneous
 - E) team

- 19) Which of the following most likely explains why companies are adopting the team selling approach to service large, complex accounts? 19) _____
- A) Customers prefer dealing with many salespeople rather than one sales representative.
 - B) A group of salespeople assigned to one account is cost effective for corporations.
 - C) Salespeople prefer working in groups because of the opportunity for flex hours and job sharing.
 - D) Products have become too complicated for one salesperson to support.
 - E) Fewer skilled salespeople are working in the high-tech industry.
- 20) All of the following are disadvantages of the team selling approach EXCEPT _____. 20) _____
- A) Individual contributions and compensations can be difficult to assess.
 - B) Selling teams can overwhelm customers.
 - C) Selling teams increase costs and are time consuming.
 - D) Many salespeople are unaccustomed to working with others.
 - E) Most salespeople are trained to excel in individual performance.
- 21) All of the following are problems associated with the poor selection of salespeople EXCEPT _____. 21) _____
- A) less office support
 - B) costly turnover
 - C) lower sales
 - D) disrupted customer relationships
 - E) less productivity
- 22) According to research, which of the following is one of the four key talents a successful salesperson must possess? 22) _____
- A) aggressive personality
 - B) disciplined work style
 - C) technological know-how
 - D) fluency in a second language
 - E) managerial skills
- 23) During the hiring process, companies that test sales applicants typically measure all of the following abilities EXCEPT _____. 23) _____
- A) sales aptitude
 - B) personality traits
 - C) accounting skills
 - D) analytical skills
 - E) organizational skills
- 24) The purpose of a training program for salespeople is to teach them about all of the following EXCEPT _____. 24) _____
- A) customers' buying motives
 - B) the company's organizational structure
 - C) the company retirement benefits
 - D) customers' buying habits
 - E) the company's main competitors

- 25) What is the primary reason that companies use e-learning to conduct sales training programs? 25) _____
- A) E-learning is the best way to simulate sales calls.
 - B) Customers appreciate the flexibility of e-learning.
 - C) E-learning allows for more employee feedback.
 - D) Customer needs and habits are easily conveyed through e-learning.
 - E) E-learning cuts training costs.
- 26) How do e-learning centres, such as the one developed by International Rectifier, help salespeople make sales? 26) _____
- A) Salespeople can attend training sessions from their home offices, which saves time and money.
 - B) Salespeople can refresh their knowledge about company products prior to making sales calls.
 - C) E-learning centres provide product information to current customers.
 - D) E-learning centres enable salespeople and customers to interact through Web conferencing.
 - E) Evaluation diagnostic tools in e-learning centres help managers monitor sales personnel.
- 27) Commissions or bonuses that a salesperson receives from a company are categorized as the _____ of his/her compensation. 27) _____
- A) fringe benefit
 - B) fixed amount
 - C) variable amount
 - D) base salary
 - E) pension plan
- 28) All of the following are a basic type of compensation plan for salespeople EXCEPT _____. 28) _____
- A) salary plus bonus
 - B) commission plus bonus
 - C) salary and commission
 - D) straight commission
 - E) straight salary
- 29) Companies are increasingly moving away from high commission compensation plans because such plans often lead to salespeople _____. 29) _____
- A) spending too much time traveling between customers
 - B) being too pushy and ruining customer relationships
 - C) working multiple sales jobs to maximize their income
 - D) ignoring management and marketing objectives
 - E) undermining the work of the inside sales team
- 30) Which sales management tool helps a salesperson know which customers to visit and which activities to carry out during a week? 30) _____
- A) call plan
 - B) positive incentives plan
 - C) time-and-duty analysis
 - D) sales quota plan
 - E) sales force automation systems

- 31) Companies are always looking for ways to increase face-to-face selling time. All of the following are ways to accomplish this goal EXCEPT _____. 31) _____
- A) reducing the number of customers each sales rep must visit
 - B) using phones and video conferencing instead of traveling
 - C) simplifying record keeping and other administrative tasks
 - D) supplying more and better customer information
 - E) developing better sales-call and routing plans
- 32) Which of the following is an advantage created by the use of a sales force automation system? 32) _____
- A) lower costs for training sales personnel
 - B) stronger organizational climate developed by the sales team
 - C) more efficient scheduling of sales calls and sales presentations
 - D) increased motivation to acquire new customers
 - E) decreased need for an inside sales force
- 33) Firms that have adopted sales force automation systems most likely use all of the following tools EXCEPT _____. 33) _____
- A) Webcams for videoconferencing
 - B) time-and-duty analysis software
 - C) laptop computers
 - D) customer-contact and relationship management software
 - E) smart phones
- 34) The process of receiving drug marketing information through product Web sites is known as _____. 34) _____
- A) e-learning
 - B) Web interfacing
 - C) e-detailing
 - D) automated selling
 - E) Web conferencing
- 35) Which of the following is a potential drawback of using Web-based technologies for making sales presentations and servicing accounts? 35) _____
- A) The systems can intimidate salespeople who are unfamiliar with the technology.
 - B) Customers are less likely to buy the product when a Web conference is used.
 - C) Salespeople have to invest more time in preparing for this type of interaction with customers.
 - D) The cost of the technology outweighs any savings gained by eliminating the need for travel.
 - E) Customers lack the technology required to participate in a Web conference.
- 36) A company that treats its salespeople as valuable contributors with unlimited income opportunities has developed a(n) _____ that will have fewer turnovers and higher sales force performance. 36) _____
- A) compensation package
 - B) workload
 - C) sales force system
 - D) sales structure
 - E) organizational climate
- 37) A sales _____ is the standard that establishes the amount each salesperson should sell and how sales should be divided among the company's products. 37) _____
- A) incentive
 - B) contest
 - C) goal
 - D) task
 - E) quota

- 38) Sales _____ encourage a sales force to make a selling effort that is above and beyond normal expectations. 38) _____
A) meetings B) contests C) quotas D) plans E) reports
- 39) A salesperson's _____ is often related to how well he or she meets a sales quota. 39) _____
A) expense report
B) call report
C) sales report
D) compensation
E) profit-sharing plan
- 40) A(n) _____ is a salesperson's write-up of his or her completed sales activities. 40) _____
A) time-and-duty analysis
B) call report
C) sales report
D) expense report
E) call plan
- 41) Which of the following questions would provide management with the LEAST beneficial information regarding the performance of its sales force? 41) _____
A) Is the sales force accomplishing its customer relationship objectives?
B) Are sales force costs in line with sales force outcomes?
C) Is the sales force working well with the marketing team?
D) Does the sales force complete its sales reports and expense reports in a timely manner?
E) Is the sales force meeting its profit objectives?
- 42) Prospecting is the step in the selling process in which the salesperson _____. 42) _____
A) tells the product's "value story" to the customer
B) clarifies and overcomes customer objections to buying
C) meets the customer for the first time
D) identifies qualified potential customers
E) gathers information about a prospective customer before making a sales call
- 43) A salesperson in the prospecting stage most likely identifies potential customers through all of the following methods EXCEPT _____. 43) _____
A) referrals from competing salespeople
B) referrals from current customers
C) referrals from suppliers
D) cold calling
E) referrals from dealers
- 44) Which of the following is the LEAST relevant characteristic that a salesperson should consider when qualifying a prospect? 44) _____
A) financial ability
B) special needs
C) location
D) longevity in the market
E) volume of business

- 45) During the prospecting stage, a salesperson needs to discriminate between good leads and poor leads, which is known as _____. 45) _____
A) approaching
B) qualifying
C) presenting
D) closing
E) referring
- 46) A salesperson who researches a company's buying styles and product line is most likely in the _____ stage of the selling process. 46) _____
A) approach
B) presentation
C) preapproach
D) closing
E) prospecting
- 47) The salesperson meets the customer for the first time in the _____ step of the selling process. 47) _____
A) approach
B) qualifying
C) prospecting
D) preapproach
E) presentation
- 48) Technologies such as CDs, DVDs, handheld computers, interactive white boards, and laptop computers enable salespeople to enhance the _____ stage of the selling process. 48) _____
A) prospecting and qualifying
B) presentation and demonstration
C) closing
D) preapproach
E) follow-up
- 49) Which type of sales approach is best for today's customers who expect answers, results, and useful products? 49) _____
A) razzle-dazzle
B) personal relationship
C) sales development
D) customer-solution
E) hard-sell
- 50) According to a survey of purchasers, _____ and _____ skills are the most important qualities for a salesperson. 50) _____
A) presentation; listening
B) listening; problem-solving
C) candor; problem-solving
D) presentation; problem-solving
E) concern; interpersonal

- 51) A salesperson should seek out, clarify, and overcome any customer objections during the sales presentation in order to _____. 51) _____
- A) turn the objections into reasons for buying
 - B) turn the objections into an opportunity for humour
 - C) offer the buyer a discount for placing an order
 - D) minimize the buyer's concerns about the product
 - E) compliment the buyer for mentioning the objections
- 52) The step of _____ is difficult for some salespeople because they lack confidence, feel guilty about asking for an order, or may not recognize the right time to ask for an order. 52) _____
- A) making a presentation
 - B) handling objections
 - C) approaching the prospect
 - D) closing the sale
 - E) following up
- 53) Salespeople should be trained to recognize _____ signals from the buyer, which can include physical actions such as leaning forward and nodding or asking questions about prices and credit terms. 53) _____
- A) follow-up B) objection C) closing D) approach E) qualifying
- 54) Which step in the sales process is necessary to ensure customer satisfaction and repeat business? 54) _____
- A) proper approach
 - B) follow-up
 - C) handling objections
 - D) professional presentation
 - E) qualifying prospects
- 55) The sales force of CDW Corporation, as described in the opening scenario, develops strong relationships with customers as part of the _____ stage of the selling process. 55) _____
- A) closing
 - B) follow-up
 - C) approach
 - D) prospecting
 - E) demonstration
- 56) A _____ consists of short-term incentives to encourage the immediate purchase of a product or service. 56) _____
- A) patronage reward
 - B) publicity stunt
 - C) sales incentive
 - D) segmented promotion
 - E) sales promotion
- 57) Value merchant salespeople document and demonstrate the superior value of their products and services in hopes of _____. 57) _____
- A) gaining short-term sales that increase annual sales volume
 - B) gaining long-term business from customers
 - C) closing deals quickly to meet team sales quotas
 - D) earning business from customers based on low prices
 - E) challenging customers to find better deals for products and services

- 58) A salesperson who would be categorized as a value spendthrift has which of the following behaviours? 58) _____
- A) regularly gains more business at the same price
 - B) concedes on price in order to quickly close sales deals
 - C) documents claims to customers about superior monetary value
 - D) believes management pursues a value-driven strategy
 - E) explains to the firm that it needs more evidence of excellent value
- 59) Value merchant salespeople possess which of the following characteristics? 59) _____
- A) They focus on revenue and volume components of their compensation plan.
 - B) They tell the company that customers are only concerned with price.
 - C) They give price concessions without making changes in the market offering.
 - D) They give away services for free in order to close sales deals.
 - E) They make sales based on cost of ownership comparisons against competitors.
- 60) Sales promotions are targeted toward all of the following EXCEPT _____. 60) _____
- A) investors
 - B) final buyers
 - C) members of the sales force
 - D) retailers
 - E) business customers
- 61) The rapid growth of sales promotions in consumer markets is most likely the result of all of the following factors EXCEPT _____. 61) _____
- A) consumers and large retailers becoming more deal oriented
 - B) advertising efficiency on the decline because of rising costs and media clutter
 - C) product managers facing pressure to increase current sales
 - D) competing brands attempting to differentiate from each other
 - E) consumers using the Internet to search for deals and save money
- 62) Consumers are increasingly ignoring promotions and not making immediate purchases because of _____. 62) _____
- A) promotion clutter
 - B) promotion fatigue
 - C) advertising specialization
 - D) advertising clutter
 - E) promotional marketing
- 63) Sellers use trade promotions for all of the following reasons EXCEPT to _____. 63) _____
- A) encourage salespeople to sign up new accounts
 - B) encourage retailers to carry more inventory
 - C) convince retailers to advertise the product
 - D) gain more shelf space for the product
 - E) persuade retailers to buy products in advance

- 64) Instead of creating only short-term sales or temporary brand switching, _____ should reinforce a product's position and build long-term customer relationships. 64) _____
- A) advertising
 - B) sales promotions
 - C) trade promotions
 - D) public relations
 - E) promotion clutter
- 65) Of the main consumer promotion tools, which is the MOST effective for introducing a new product or creating excitement for an existing one? 65) _____
- A) price packs
 - B) cash refunds
 - C) coupons
 - D) contests
 - E) samples
- 66) Which of the following consumer promotion tools is the MOST costly for companies ? 66) _____
- A) coupons
 - B) samples
 - C) cash refunds
 - D) premiums
 - E) price packs
- 67) Which consumer promotion tool requires consumers to send a proof of purchase to the manufacturer? 67) _____
- A) promotional products
 - B) samples
 - C) cents-off deals
 - D) coupons
 - E) cash refunds
- 68) Which of the following involves marking a reduced price directly on a product's packaging and often results in the stimulation of short-term sales? 68) _____
- A) price packs
 - B) rebates
 - C) samples
 - D) promotional products
 - E) patronage rewards
- 69) _____ are goods offered either free or at low cost as an incentive to buy a product. 69) _____
- A) Price packs
 - B) Cash refund offers
 - C) Premiums
 - D) Coupons
 - E) Point-of-purchase promotions

- 70) A _____ has the advertiser's name on it and is given as a gift to consumers. 70) _____
A) sample
B) cents-off deal
C) corporate identity material
D) promotional product
E) price pack
- 71) Which consumer promotion offers consumers the chance to win something by presenting them with an item such as a scratch-off card or a bingo number ? 71) _____
A) game
B) contest
C) point-of-purchase promotion
D) price pack
E) sweepstakes
- 72) Marathons, concerts, and festivals with corporate sponsors are examples of _____. 72) _____
A) business promotions
B) point-of-purchase promotions
C) event marketing
D) trade promotions
E) personal selling
- 73) Business promotion tools are used for all of the following reasons EXCEPT to _____. 73) _____
A) reward customers
B) generate business leads
C) stimulate purchases
D) increase manufacturing
E) motivate salespeople
- 74) Trade shows offer manufacturers the opportunity to do all of the following EXCEPT _____. 74) _____
A) establish a sales contest
B) introduce new products
C) find new sales leads
D) educate customers
E) contact customers
- 75) Which of the following questions would be the best one to help a marketer evaluate the return on a sales promotion investment? 75) _____
A) Did customers enjoy the events associated with the promotion?
B) Did the promotion increase purchases from current customers or attract new customers?
C) Did customers search the promotion's Web site for additional product information?
D) Did the promotion run too long or too short?
E) Did the distribution of the promotional information match consumer expectations and needs?

TRUE/FALSE. Write 'T' if the statement is true and 'F' if the statement is false.

- 76) Today, most salespeople are well-educated, well-trained professionals who work to build and maintain long-term customer relationships by listening to their customers, assessing their needs, and organizing the company's efforts to solve customer problems. 76) _____
- 77) Personal selling is the interpersonal component of the promotion mix. 77) _____

- 78) Some corporations have no sales force, while others utilize sales agents, brokers, or manufacturer's reps. 78) _____
- 79) In consumer product companies such as Procter & Gamble and Nike, the sales force plays an important behind-the-scenes role. 79) _____
- 80) Developing sales force strategy and structure is a minor element of sales force management and is an aspect that most companies fail to spend much time considering. 80) _____
- 81) Of all the ways to structure a sales force, product sales force structure is most effective in helping the company to become more customer focused and build closer relationships with important customers. 81) _____
- 82) The growth of product management has contributed to the increasing adoption of customer sales force structures. 82) _____
- 83) Ken Klein is a Superior Frozen Foods salesman responsible for customers in the southwest region of Texas. Superior Frozen Foods most likely uses a territorial sales force structure. 83) _____
- 84) Blackstone Tools manufactures screwdrivers, wrenches, and pliers, which are sold at large hardware stores. John Garcia handles the Home Depot account, while Melinda West manages the Lowe's account. Blackstone Tools most likely uses a product sales force structure. 84) _____
- 85) Complex sales force structures include specialization by customer and territory, by product and territory, by product and customer, and by territory, product, and customer. 85) _____
- 86) Technical sales support people provide administrative backup for outside salespeople. 86) _____
- 87) Hewlett-Packard salespeople spend more time with customers now that their administrative requirements have been decreased. 87) _____
- 88) The workload approach to set sales force size is outdated. 88) _____
- 89) Blue Star Supply Company wants its outside salespeople to spend more time with customers. One way for Blue Star to accomplish this goal would be for the company to hire additional technical support people and sales assistants. 89) _____
- 90) As a result of Canada's National Do Not Call List, telemarketing is now rarely used. 90) _____
- 91) Team selling is ideal when customer problems become more complex and customers become larger and more demanding. Sales teams have the advantage of uncovering problems that an individual would not, and sales teams can develop new opportunities as well. 91) _____
- 92) A-1 Pharmaceuticals requires new salespeople to receive training through seminars, sales meetings, and e-learning sessions before meeting customers. The program used by A-1 is typical for companies that rely on skilled and knowledgeable salespeople. 92) _____
- 93) Online and other e-learning approaches cut training costs and make training more efficient. 93) _____

- 94) To discourage a salesperson from ruining a customer relationship by pushing too hard to close a deal in order to earn a commission, companies are designing compensation plans that reward salespeople for building customer relationships and growing the long-run value of each customer. 94) _____
- 95) Sales force automation systems have been developed to improve how salespeople feel about their opportunities and value. 95) _____
- 96) If Johnny Page's company is like most consumer goods companies today, he can boost sales force morale and performance through his organizational climate, sales quotas, and positive incentives. 96) _____
- 97) Formal sales force evaluations require management to develop and communicate clear standards for judging performance, and they provide salespeople with constructive feedback and motivation to perform well. 97) _____
- 98) The approach is the step in the selling process in which the salesperson learns as much as possible about a prospective customer before making a sales call. 98) _____
- 99) During the presentation step of the selling process, the salesperson tells the customer the "value story" of the product. 99) _____
- 100) Because customers almost always have objections during the presentation or closing step of the selling process, all salespeople need special training in how to deal with customer objections. 100) _____
- 101) Sales promotion consists of long-term incentives to encourage purchases or sales of a product or service. 101) _____
- 102) Sellers may use trade promotions to urge short term customer buying or to enhance customer brand involvement. 102) _____
- 103) A product demonstration that occurs in a grocery store or a department store is an example of a point-of-purchase promotion. 103) _____
- 104) Manufacturers direct more sales promotion dollars toward final consumers than toward retailers. 104) _____
- 105) Manufacturers may offer an allowance in return for the retailer's agreement to feature the manufacturer's products in some way. 105) _____

ESSAY. Write your answer in the space provided or on a separate sheet of paper.

- 106) In a short essay, describe the nature of personal selling and the role of the sales force.
- 107) Discuss the differences between the three major sales force structures. What are the potential benefits of each structure?
- 108) Why are more companies using team selling? What are its pros and cons?
- 109) How do successful companies recruit and train their salespeople? What are the objectives of most sales force training programs?

- 110) Describe some of the methods used to supervise salespeople and help them work more efficiently.
- 111) In a brief essay, explain methods of evaluating the performance of a sales force. Why is it important for a sales force to be evaluated?
- 112) Provide the seven steps in the selling process. What would be the two most difficult steps for most salespeople and why?
- 113) What is the follow-up step of the selling process? Why is it important?
- 114) What is the relationship between the personal selling process and the management of customer relationships?
- 115) How can sales promotions help to reinforce a product's position and build long-term customer relationships?

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

- 116) At Finley's Fine Goods, members of the sales force and marketing department tend to have disagreements when things go wrong with a customer. The marketers blame the salespeople for poorly executing their strategies, while the salespeople blame the marketers for being out of touch with the customer. Which of the following steps should upper-level management at Finley's Fine Goods take to help bring the sales and marketing functions closer together? 116) _____
- A) appoint a new sales force manager
 - B) establish a complex sales force structure
 - C) adopt a sales force automation system
 - D) establish a customer sales force structure
 - E) appoint a chief revenue officer
- 117) Ultra-Tech, Inc. has decided to switch to a customer sales force structure. Which of the following advantages is the company now LEAST likely to enjoy? 117) _____
- A) The company can become more customer-focused.
 - B) The company can better serve current customers and find new customers.
 - C) The company can build closer relationships with important customers.
 - D) The company can better serve different industries.
 - E) The company can expect salespeople to develop in-depth knowledge of numerous and complex product lines.
- 118) Johnson Business Solutions, Inc., maintains one sales force for its copy machines and a separate sales force for its computer systems. Johnson Business Solutions utilizes a _____ structure. 118) _____
- A) customer sales force
 - B) market segment sales force
 - C) product sales force
 - D) territorial sales force
 - E) complex sales force
- 119) Morrill Motors splits North America into 10 sales regions. Within each of those regions, the company maintains two sales teams—one for existing customers and one for prospects. What type of sales force structure does Morrill Motors use? 119) _____
- A) product
 - B) workload
 - C) customer
 - D) complex
 - E) territorial

- 120) J & M Manufacturing has 2,000 Type-A accounts, each requiring 35 calls per year, and 1,000 Type-B accounts, each requiring 15 calls per year. What is the sales force's workload? 120) _____
- A) 15,000 calls
 - B) 35,000 calls
 - C) 70,000 calls
 - D) 85,000 calls
 - E) 95,000 calls
- 121) Stahl, Inc., has 1,000 Type-A accounts, each requiring 28 calls per year, and 2,200 Type-B accounts, each requiring 15 calls per year. If each salesperson at Stahl, Inc., can make 1,500 sales calls per year, approximately how many salespeople will be needed? 121) _____
- A) 31
 - B) 35
 - C) 41
 - D) 45
 - E) 48
- 122) East Bay Communications has increased its inside sales force. This will help East Bay in all EXCEPT which one of the following ways? 122) _____
- A) East Bay salespeople will have more time to sell to major accounts.
 - B) East Bay salespeople will have more time to provide after-the-sale customer service.
 - C) East Bay salespeople will have more time to find major new prospects.
 - D) East Bay customers will have full access to sales automation technology.
 - E) East Bay customers will have questions answered in a timely manner.
- 123) You are applying for a position with the inside sales force at Carson Medical Sales. If you earn the job, you will most likely be expected to perform all of the following tasks EXCEPT _____. 123) _____
- A) confirm appointments for outside salespeople
 - B) use the telephone to find new leads
 - C) follow up on product deliveries
 - D) use the Internet to qualify prospects
 - E) travel to visit customers
- 124) The sales force at Messimer Computing recently began telemarketing and Web selling. How will telemarketing and Web selling most likely benefit Messimer Computing? 124) _____
- A) Messimer sales reps will be able to service hard-to-reach customers more effectively.
 - B) Messimer sales reps will need to spend less face-to-face time with large, high-value customers.
 - C) The inside sales force of Messimer will receive better compensation than the outside sales force.
 - D) Messimer sales reps will be able to work from home offices more regularly.
 - E) The outside sales force of Messimer will be freed up to work more with the marketing department.
- 125) An IBM sales representative is giving a product demonstration to a Best Buy representative. Assisting with the demonstration are an engineer, a financial analyst, and an information systems specialist. If IBM wins the Best Buy account, then all four IBM representatives will service the Best Buy account. This is an example of _____. 125) _____
- A) territorial selling
 - B) sales promoting
 - C) inside selling
 - D) team selling
 - E) prospecting

- 126) Sales have been slow recently at B & B Materials, so management has organized a training program to improve the performance of its sales force. Which of the following would most likely lead to improved sales for B & B Materials? 126) _____
- A) tests to identify the personality traits of sales force members
 - B) tests to measure the analytic and organizational skills of the sales force
 - C) a time-and-duty analysis for each salesperson
 - D) information about the marketing strategies used by competitors
 - E) instructions on completing expense reports
- 127) The CEO of Comfy Carpet, Rick Hadley, was skeptical about Web-based training until his sales manager explained that online training is _____. 127) _____
- A) time consuming and difficult to use
 - B) dynamic and interactive
 - C) useful to customers
 - D) cost competitive and efficient
 - E) used by all small companies
- 128) At Deck Decor, a manufacturer of outdoor furniture and accessories, the marketing and sales force objectives are to grow relationships with existing customers and to acquire new business. Which of the following compensation plans should management establish to encourage the sales force to pursue both of these objectives? 128) _____
- A) salary plus bonus for new accounts
 - B) straight commission
 - C) commission plus bonus for new accounts
 - D) straight salary
 - E) salary plus commission plus bonus for new accounts
- 129) Mary Conti is sales manager for National Computer Training. She wants to evaluate the performance of her sales force that is responsible for the Maritime provinces. Mary will most likely review all of the following in her evaluation EXCEPT _____. 129) _____
- A) territorial sales and profit reports
 - B) expense reports
 - C) call plans
 - D) call reports
 - E) sales reports
- 130) The sales force of Conway Pools has qualified a number of leads. Which of the following will most likely occur next? 130) _____
- A) The inside sales force will put together a presentation for the prospects.
 - B) The outside sales force will close the deal with one of the prospects.
 - C) The outside sales force will call on all prospects.
 - D) The inside sales force will attend meetings with qualified prospects.
 - E) The outside sales force will learn as much as possible about the prospects.

- 131) Marlene Arau is a member of the sales force at Urban Fashions, a clothing manufacturer. Marlene is preparing for a first meeting with a wholesaler who is a potential customer. Marlene is learning as much as she can about the wholesaler's organization. Marlene is in the _____ step of the personal selling process. 131) _____
- A) qualifying
 - B) handling objections
 - C) preapproach
 - D) prospecting
 - E) approach
- 132) An insert in a Lands' End catalogue offers free shipping on your next purchase. This is an example of a _____. 132) _____
- A) price pack
 - B) premium
 - C) trade promotion
 - D) sales promotion
 - E) POP promotion
- 133) Monty Boyd travels frequently on West Coast Airlines for his job as an account manager. Monty earns points for every mile he flies, and he will soon have enough points to receive a free airline ticket. West Coast Airlines is building a customer relationship with Monty using which of the following? 133) _____
- A) premium reward
 - B) POP reward
 - C) publicity
 - D) sweepstakes program
 - E) frequency marketing program
- 134) Toro ran a clever preseason promotion on some of its snow blower models, offering some money back if the snowfall in the buyer's market area turned out to be below average. This is an example of a(n) _____. 134) _____
- A) advertising specialty
 - B) premium pack
 - C) sweepstakes
 - D) rebate
 - E) price pack
- 135) An example of a(n) _____ is a five-foot-high cardboard display of Tony the Tiger next to Frosted Flakes cereal boxes. 135) _____
- A) sample
 - B) POP promotion
 - C) advertising promotion
 - D) premium
 - E) POP pack

- 136) Kirk Wilkins renewed his cell phone contract with Zip Wireless and purchased a new cell phone through the Zip Web site. If Kirk mails Zip his phone receipt, proof of purchase, and a completed form, he will receive \$50 in the mail. What type of sales promotion is being used by Zip? 136) _____
- A) price pack
 - B) advertising specialty
 - C) rebate
 - D) point of purchase
 - E) premium

SHORT ANSWER. Write the word or phrase that best completes each statement or answers the question.

- 137) Is personal selling limited to commercial enterprises with products and services to sell? 137) _____
- 138) What are some ways that salespeople represent the customer to the company? 138) _____
- 139) What type of company would be likely to use the territorial sales force structure? 139) _____
- 140) What type of company would be likely to use a product sales force structure? 140) _____
- 141) Explain what is meant by a complex sales force structure. 141) _____
- 142) Explain how the workload approach helps companies set sales force size. 142) _____
- 143) Why might a company need to hire both an inside and an outside sales force? 143) _____
- 144) Why do most companies now use team selling to service large, complex accounts? 144) _____
- 145) Why do many companies invest in ongoing training for their salespeople? 145) _____
- 146) Compare the four types of compensation plans available to salespeople. 146) _____
- 147) Why do sales supervisors provide their salespeople with annual call plans? 147) _____
- 148) What does a time-and-duty analysis reveal? 148) _____
- 149) Why have firms adopted sales force automation systems? 149) _____
- 150) Why is a firm's organizational climate an important part of building a successful sales staff? 150) _____
- 151) Why does a firm's number of prospects always equal or exceed its number of qualified customers? 151) _____
- 152) Why does a salesperson set call objectives? 152) _____

- 153) Why is it important that the customer-solution approach guide a salesperson's presentation? 153) _____
- 154) How does mobile couponing benefit both consumers and marketers? 154) _____
- 155) What are advertising specialties and how are they used as a sales promotion tactic? 155) _____
- 156) How can marketers promote brands by using event marketing? 156) _____

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

Refer to the scenario below to answer the following questions.

Reliable Tool Company is a manufacturer of hubs and axles for the trailer and heavy truck industry. Although Reliable Tool only has fifteen customers, the company is the sole supplier of hub and axle components to those customers. Monthly sales at Reliable Tool are approximately \$1 million. "You might say we have all of our eggs in one basket," says owner Arthur Deetz. Therefore, it is critical that a competent sales force be maintained in order to nurture those few but large accounts. Ninety-five percent of Reliable Tool's customers are located in Alberta, Saskatchewan, and Manitoba, which means that travel time to all customers is relatively short. However, given the nature of the industry, time spent with each customer is essential.

- 157) How would a customer sales force structure benefit Reliable Tool? 157) _____
- A) It would decrease the amount of travel required of each Reliable Tool salesperson.
 - B) It would enable Reliable Tool salespeople to build close relationships with clients.
 - C) It would allow Reliable Tool management to better supervise and evaluate its salespeople.
 - D) It would eliminate the need for telemarketers and sales assistants at Reliable Tool.
 - E) It would help Reliable Tool salespeople become experts on the specific parts they sell.
- 158) Reliable Tool management is in the process of evaluating its salespeople to make sure they are value merchants instead of value spendthrifts. Which of the following describes a Reliable Tool salesperson who is a value merchant? 158) _____
- A) The salesperson regularly trades more business for lower prices.
 - B) The salesperson sells primarily on price comparisons with competitors.
 - C) The salesperson informs management that customers only care about price.
 - D) The salesperson gives products away for free in order to close a deal.
 - E) The salesperson routinely gains more business at the same price.
- 159) Which of the following promotions would be most appropriate for Reliable Tool to use in its attempt to promote its products and generate new business leads? 159) _____
- A) rebates
 - B) premiums
 - C) conventions and trade shows
 - D) point-of purchase promotions
 - E) specialty advertising items

- 160) The Reliable Tool sales force serves as a critical link between a company and its customers. When its salespeople act inside the firm as "champions" of customers' interests they are _____. 160) _____
- A) representing customers to the company
 - B) representing the company to the sales force
 - C) representing customers to the sales force
 - D) representing the company to customers
 - E) representing the sales force to the company
- 161) Reliable Tool Company could organize its sales force so that each salesperson is assigned to an exclusive geographic area and sells the company's full line of products or services to all customers in that territory. This is known as a _____ sales force structure. 161) _____
- A) territorial
 - B) complex
 - C) product
 - D) customer
 - E) behavioural
- 162) Reliable Tool Company could organize its sales force so that its salespeople specialize in selling only a portion of the company's products or lines. This is known as a _____ sales force structure. 162) _____
- A) territorial
 - B) complex
 - C) customer
 - D) product
 - E) behavioural
- 163) The sales force at Reliable Tool Company is compensated well. Commissions or bonuses based on sales performance, rewards the salespeople for greater effort and success. This element of their paycheques is considered the _____. 163) _____
- A) variable amount
 - B) fixed amount
 - C) salary
 - D) taxable amount
 - E) expenses
- 164) The _____ of a Reliable Tool Company sales paycheque, usually a salary, gives the salesperson some stable income. 164) _____
- A) taxable amount
 - B) fixed amount
 - C) variable amount
 - D) salary
 - E) expenses
- 165) Reliable motivates its sales force in many ways. Which of the following incentives provides an opportunity to air feelings and to identify with a larger group? 165) _____
- A) honours
 - B) sales contests
 - C) profit-sharing plans
 - D) cash awards
 - E) sales meetings

166) Reliable motivates its sales force in many ways. Which of the following incentives can spur the sales force to make a selling effort above what would normally be expected?

166) _____

- A) honours
- B) sales contests
- C) sales meetings
- D) profit-sharing plans
- E) cash awards

Answer Key

Testname: UNTITLED3

- 1) D
- 2) E
- 3) A
- 4) D
- 5) E
- 6) C
- 7) A
- 8) E
- 9) A
- 10) E
- 11) C
- 12) D
- 13) C
- 14) C
- 15) D
- 16) D
- 17) C
- 18) E
- 19) D
- 20) C
- 21) A
- 22) B
- 23) C
- 24) C
- 25) E
- 26) B
- 27) C
- 28) B
- 29) B
- 30) A
- 31) A
- 32) C
- 33) B
- 34) C
- 35) A
- 36) E
- 37) E
- 38) B
- 39) D
- 40) B
- 41) D
- 42) D
- 43) A
- 44) D
- 45) B
- 46) C
- 47) A
- 48) B
- 49) D
- 50) B

Answer Key

Testname: UNTITLED3

- 51) A
- 52) D
- 53) C
- 54) B
- 55) B
- 56) E
- 57) B
- 58) B
- 59) E
- 60) A
- 61) E
- 62) A
- 63) A
- 64) B
- 65) E
- 66) B
- 67) E
- 68) A
- 69) C
- 70) D
- 71) A
- 72) C
- 73) D
- 74) A
- 75) B
- 76) TRUE
- 77) TRUE
- 78) TRUE
- 79) TRUE
- 80) FALSE
- 81) FALSE
- 82) FALSE
- 83) TRUE
- 84) FALSE
- 85) TRUE
- 86) FALSE
- 87) TRUE
- 88) FALSE
- 89) TRUE
- 90) FALSE
- 91) TRUE
- 92) TRUE
- 93) TRUE
- 94) TRUE
- 95) FALSE
- 96) TRUE
- 97) TRUE
- 98) FALSE
- 99) TRUE
- 100) TRUE

Answer Key

Testname: UNTITLED3

- 101) FALSE
- 102) FALSE
- 103) TRUE
- 104) FALSE
- 105) TRUE
- 106) Today, most salespeople are well-educated and well-trained professionals who work to build and maintain long-term customer relationships by listening to their customers, assessing customer needs, and organizing the company's efforts to solve customer problems. Salespeople act as order takers, order getters, and creative sellers. Personal selling is the interpersonal arm of the promotion mix. The sales force acts as a critical link between a company and its customers. Salespeople represent the company to the customer and the customer to the company to produce customer satisfaction and company profit.
- 107) In the territorial sales force structure, each salesperson is assigned to an exclusive geographic area and sells the company's full line of products or services to all customers in that territory. This organization clearly defines each person's job, fixes accountability, and increases the person's desire to build local business relationships that improve selling effectiveness. The product sales force structure allows the sales force to sell along product lines; the seller becomes very knowledgeable about products. This method can cause duplication of efforts and several salespersons calling on the same accounts. The customer sales force structure organizes along customer or industry lines; this can help a company to become more customer focused and build closer relationships with important customers.
- 108) Team selling is useful to service large, complex accounts. Sales teams can uncover problems, solutions, and sales opportunities that no individual salesperson could. The move to team selling is in part a reaction to similar changes within customers' buying organizations; selling teams now call on buying teams. Some pitfalls exist in the team approach. Selling teams can confuse or overwhelm customers who are used to working with only one salesperson. Some salespersons have trouble working with others. Finally, difficulties in evaluating individual contributions to the team selling effort can create some sticky compensation issues.
- 109) During the recruitment step, a company should assess the sales job itself and the characteristics of its most successful salespeople to determine the traits needed by a successful salesperson in that industry. Some companies give sales applicants formal tests, while others only interview applicants. Following selection, orientation and training must be conducted based upon the knowledge and skill levels of the recruits. Most companies train their new salespeople through seminars, sales meetings, and e-learning sessions. Training programs should teach salespeople about customers, about selling effectively, and about the company's products.
- 110) Through supervision, or helping salespeople "work smart," management can help salespeople do the right things in the right way. This includes helping salespeople identify target customers and manage their time. A weekly, monthly, or annual call plan is used in many companies to show salespeople which customers and potential customers to call on within a given time period. And because companies are always looking for ways to make their employees more efficient, they often use a time-and-duty-analysis to identify how salespeople spend their time and how they can spend more time actively selling. To increase efficiency, many companies use sales force automation systems—including laptops, smart phones, videoconferencing, and relationship management software—so that their sales force can work anywhere, anytime.
- 111) To evaluate its sales force, management needs to get regular information about the performance of its salespeople. Sales reports, including weekly or monthly work plans and longer-term marketing plans, are the most important source. Management also uses salespeople's expense reports and call reports to gauge sales call volume and success rates. In addition, management can use sales and profit performance data in each salesperson's territory, along with personal observation and customer surveys, to identify strengths and weaknesses in the sales force. Taking information gathered from these sources into consideration, management should provide salespeople with constructive feedback aimed at helping each salesperson succeed. Evaluating a sales force is important because that is how a company can measure its return on sales investment.

Answer Key

Testname: UNTITLED3

- 112) Prospecting and qualifying begin the process, followed by the preapproach. Next, the salesperson makes an approach to make a presentation or demonstration. Handling objections follows, leading into closing the sale. Each sale requires a follow up to make it complete. For most salespeople, especially new ones, the prospecting and closing steps are the most difficult and require much skill. For a salesperson unfamiliar with how to identify good leads with bad ones, prospecting can be difficult. Closing can be difficult because salespeople may lack the confidence to ask for an order, or they may not recognize the appropriate moment to close a sale.
- 113) The follow-up step is important if the salesperson wants to ensure customer satisfaction and repeat business. Right after closing, the salesperson should complete any details on delivery time, purchase terms, and other matters. The salesperson then should schedule a follow-up call when the initial order is received, to make sure there is proper installation, instruction, and servicing. This visit would reveal any problems, assure the buyer of the salesperson's interest, and reduce any buyer concerns that might have arisen since the sale.
- 114) The selling process should be understood in the context of building and maintaining profitable customer relationships, as companies are interested in more than simply securing a one-time sale. Instead, they are interested in winning and keeping major customers, creating ongoing, mutually beneficial relationships. Because they have significant contact with customers, salespeople play an important role in building and managing profitable customer relationships. Salespeople need to think of the first sale as the beginning of a relationship that will involve listening to customers, understanding their needs, and helping to coordinate the company's efforts to create customer value.
- 115) If properly designed, every sales promotion tool has the potential to build both short-term excitement and long-term consumer relationships. Increasingly, marketers are avoiding "quick fix", price-only promotions in favour of promotions designed to build brand equity. Examples include all of the "frequency marketing programs" and loyalty clubs that have mushroomed in recent years. Most hotels, supermarkets, and airlines offer frequent guest/ buyer/flyer programs giving rewards to regular customers. For example, Shoppers Drug Mart offers the Optimum card, TD Canada Trust offers several Visa Travel Rewards options, and Petro-Canada rewards customers with Petro-Points.
- 116) E
- 117) E
- 118) C
- 119) D
- 120) D
- 121) C
- 122) D
- 123) E
- 124) A
- 125) D
- 126) D
- 127) D
- 128) E
- 129) C
- 130) E
- 131) C
- 132) D
- 133) E
- 134) D
- 135) B
- 136) C
- 137) Companies all around the world use sales forces to sell products and services to business customers and final consumers. But sales forces are also found in many other kinds of organizations. For example, universities use recruiters to attract new students and churches use membership committees to attract new members. Museums and fine arts organizations use fundraisers to contact donors and raise money. Even governments use sales forces.

Answer Key

Testname: UNTITLED3

- 138) Salespeople represent customers to the company, acting inside the firm as “champions” of customers’ interests and managing the buyer–seller relationship. Salespeople relay customer concerns about company products and actions back inside to those who can handle them. They learn about customer needs and work with other marketing and nonmarketing people in the company to develop greater customer value.
- 139) A company with only one product line to one industry with customers in many locations would most likely use a territorial sales force structure.
- 140) A product sales force structure will most likely be used by companies that carry extensive product lines with the need to separate customers according to the products they buy.
- 141) When a company sells a wide variety of products to many types of customers over a broad geographic area, it often combines several types of sales force structures. Salespeople can be specialized by customer and territory, by product and territory, by product and customer, or by territory, product, and customer.
- 142) Using this approach, the company first groups accounts into different classes according to size, account status, or other factors related to the amount of effort required to maintain them. The company can then determine the number of salespeople needed to call on each class of accounts the desired number of times.
- 143) Larger accounts may require special nurturing and face-to-face interaction, so an outside sales force can call on those customers. Smaller accounts and harder-to-reach customers may be able to be taken care of by an inside sales force.
- 144) As products become more complex and as customers grow larger and more demanding, a single salesperson simply can’t handle all of a large customer’s needs. Sales teams can unearth problems, solutions, and sales opportunities that no individual salesperson could. Such teams might include experts from any area or level of the selling firm—sales, marketing, technical and support services, R&D, engineering, operations, finance, and others.
- 145) Though training is expensive, it can be very effective in helping salespeople learn about the needs and motives of their customers, techniques for effectively selling, the company’s objectives, and the strategies of major competitors. With this training, salespeople are able to better do their jobs, resulting in more revenue for the company.
- 146) A straight salary is a fixed amount that is not dependent on sales performance, while a straight commission is entirely based on sales performance. The two other types, salary plus bonus and salary plus commission, make a portion of the compensation fixed and a portion based on sales performance.
- 147) The annual call plan shows which customers and prospects to call on in which months and which activities to carry out, giving supervisors more control over the activities of their salespeople.
- 148) This tool, which can be used to help sales management determine how to increase selling time, indicates a salesperson’s time spent selling, traveling, waiting, eating, taking breaks, and doing administrative chores.
- 149) Many firms have adopted sales force automation systems to help their salespeople better manage their time, improve customer service, lower sales costs, and increase sales performance.
- 150) How salespeople feel about their opportunities, value, and rewards for a good performance affects how well salespeople will perform; when salespeople are treated as special contributors and have great opportunities for income and promotion, their sales performance is higher.
- 151) Prospecting identifies the total number of potential customers in an area; qualifying breaks that number of prospects down into the actual group that it is worthwhile for the salesperson to target.
- 152) Call objectives might include qualifying the prospect, gathering more or better information, and/or making an immediate sale. With a call objective, a salesperson can be more focused on how to prepare for the sale.
- 153) The customer–solution approach fits better with today’s relationship marketing focus than does a hard-sell or glad-handing approach. Buyers today want answers, not smiles; results, not razzle-dazzle. Moreover, they don’t want just products—they want to know how those products will add value to their businesses. They want salespeople who listen to their concerns, understand their needs, and respond with the right products and services.
- 154) Consumers don’t have to find and clip coupons. Mobile coupons allow marketers to carefully target customers and eliminate the costs associated with printing and distributing paper coupons.
- 155) Advertising specialties, also called promotional products, are useful articles imprinted with an advertiser’s name, logo, or message that are given as gifts to consumers. Typical items include T-shirts and other apparel, pens, coffee mugs, calendars, key rings, mousepads, matches, tote bags, coolers, golf balls, and caps. Such items can be very effective. The best of them stick around for months, subtly burning a brand name into a user’s brain.

Answer Key

Testname: UNTITLED3

156) They can create their own brand-marketing events or serve as sole or participating sponsors of events created by others. The events might include anything from mobile brand tours to festivals, reunions, marathons, concerts, or other sponsored gatherings. Event marketing is huge, and it may be the fastest-growing area of promotion.

157) B

158) E

159) C

160) A

161) A

162) D

163) A

164) B

165) E

166) B