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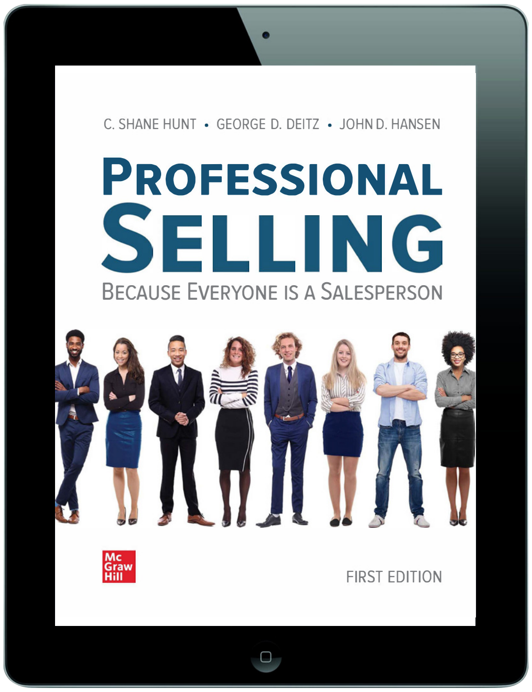
Professional Selling 1e

Hunt | Deitz | Hansen



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C. SHANE HUNT • GEORGE D. DEITZ • JOHN D. HANSEN

PROFESSIONAL SELLING

BECAUSE EVERYONE IS A SALESPERSON

McGraw Hill

FIRST EDITION

Dear Colleagues,

We strongly believe that sales is at the heart of modern business. Understanding and using the aspects of sales in order to improve for-profit businesses, not-for-profit organizations, and students' career prospects is a critical educational activity. Such an understanding is relevant to any undergraduate student, regardless of their functional area of academic focus.

Our goal is to introduce the first professional selling text that captures the importance and opportunities of sales in a way that is fully relevant to today's business students and business professionals. We want this product to enable professional selling instructors to have accomplished these three key objectives by the end of the course:

- Provide knowledge leadership in the area of professional selling, with content that is high quality and socially responsible.
- Engage students through modern and relevant examples and leave them with the understanding of the critical role sales plays in their lives.
- Integrate the themes of a traditionally organized sales text with cutting-edge digital resources to help students develop a deep, thorough understanding of this complex discipline.

We are very excited about the future of sales and grateful for the opportunity to help colleges and universities throughout the world develop the next generations of great salespeople. We have worked carefully to produce an integrated print and digital experience for you and your students. We trust that it will help inspire students to explore and apply the sales experiences they need in order to leave your course prepared for their future coursework and careers. It is our sincere hope that this new product, *Professional Selling*, will engage your students and demonstrate the universal importance of professional selling . . . because everyone is a salesperson!

Thank you for your consideration and enjoy this preview!

C. Shane Hunt
Idaho State University

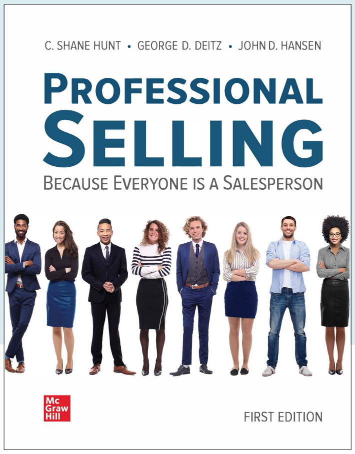
George D. Deitz
The University of Memphis

John D. Hansen
The University of Alabama at Birmingham

Because learning changes everything.®

Asset Alignment with Bloom's Taxonomy

Professional Selling



We Take Students Higher

As a learning science company, we create content that supports higher order thinking skills. Within McGraw Hill Connect®, we tag content accordingly so you can filter your search, assign it, and receive reporting on it. These content asset types can be associated with one or more levels of Bloom's.

The chart below shows a few of the key assignable marketing assets with Connect aligned with Bloom's Taxonomy. Take your students higher by assigning a variety of applications, moving them from simple memorization to concept application.

Higher Order Thinking Skills

	SmartBook® 2.0	Click & Drags	iSeeit! Video Cases	Video Cases	Marketing Analytics
CREATE					
EVALUATE					
ANALYZE				✓	✓
APPLY			✓	✓	✓
UNDERSTAND	✓	✓	✓	✓	✓
REMEMBER	✓	✓	✓	✓	✓

Lower Order Thinking Skills

SmartBook 2.0

Smartbook 2.0 personalizes learning to individual student needs; continually adapting to pinpoint knowledge gaps and focus learning on concepts requiring additional study.

Click & Drags

These activities help make the connection between theory and application through matching, ranking, or grouping activities.

iSeeit! Video Cases

Short, contemporary videos provide engaging, animated introductions to key course concepts. Available at the topic level. Perfect for launching lectures and assigning as pre-or post-lecture.

Video Cases

Video Cases, featuring real companies, are assignable with corresponding comprehension questions that help students analyze and understanding key concepts.

Marketing Analytics Exercises

These auto-graded, marketing analytics activities challenge students to make decisions using metrics commonly seen across marketing professions. The goal of these activities is to give students practice analyzing and using marketing data to make decisions.

SUPPORT AT every step

Need Help With Your Course?

We've created a collection of tools and resources designed to make your life easier! Get a syllabus guide, learn how to set up your course, and prep for success at **supportateverystep.com**

Professional Selling

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Idaho State University

George D. Deitz
The University of Memphis

John D. Hansen
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Mc Graw Hill

PROFESSIONAL SELLING

Published by McGraw Hill LLC, 1325 Avenue of the Americas, New York, NY 10121.

This book is printed on acid-free paper.

1 2 3 4 5 6 7 8 9 XXX 24 23 22 21

ISBN 978-1-264-13859-3 (bound edition)
MHID 1-264-13859-8 (bound edition)
ISBN 978-1-264-13863-0 (loose-leaf edition)
MHID 1-264-13863-6 (loose-leaf edition)

Executive Portfolio Manager: *Meredith Fossel*
Product Developer: *Haley Burmeister*
Senior Marketing Manager: *Nicole Young*
Content Project Managers: *Maria McGreal, Keri Johnson*
Buyer: *Susan K. Culbertson*
Designer: *David W. Hash*
Content Licensing Specialist: *Jacob Sullivan*
Cover Image: *Djomas/Shutterstock; Ranta Images/Shutterstock; Syda Productions/Shutterstock*
Compositor: *Aptara®, Inc.*

Library of Congress Cataloging-in-Publication Data

Names: Hunt, C. Shane, author. | Deitz, George, author. | Hansen, John D. (Professor of marketing), author.
Title: Professional selling / C. Shane Hunt, Idaho State University, George D. Deitz, The University of Memphis, John D. Hansen, University of Alabama at Birmingham.
Description: New York, NY : McGraw-Hill, [2022] | Includes index.
Identifiers: LCCN 2020036779 (print) | LCCN 2020036780 (ebook) | ISBN 9781264138593 (hardcover) | ISBN 9781264138630 (spiral bound) | ISBN 9781264138616 (ebook)
Subjects: LCSH: Selling.
Classification: LCC HF5438.25 .H86735 2022 (print) | LCC HF5438.25 (ebook) | DDC 658.85–dc23
LC record available at https://lccn.loc.gov/2020036779
LC ebook record available at https://lccn.loc.gov/2020036780

mheducation.com/highered

BRIEF CONTENTS

ABOUT THE AUTHORS

Hello, my name is…

Shane Hunt

C. Shane Hunt

Dr. Shane Hunt received his Ph.D. in Marketing from Oklahoma State University, where he was an AMA-Sheth Foundation and National Conference in Sales Management Doctoral Fellow. Shane is the recipient of the 2010 National Inspire Integrity Award from the National Society of Collegiate Scholars; the 2010 Lt. Col. Barney Smith Award as Professor of the Year at Arkansas State University; the 2015 Honors Professor of the Year Award at Arkansas State University; and the 2019 National Teaching Innovation Award from the Association of Collegiate Marketing Educators.

Prior to teaching, Shane used his MBA from the University of Oklahoma working for a Fortune 500 company in Tulsa. He spent eight years as a pricing analyst, product manager, and business development manager overseeing numerous mergers and acquisitions initiatives. Shane's research has appeared in *The Journal of Personal Selling and Sales Management* and *The Journal of Business Logistics*. He has been invited to present to numerous organizations including the American Marketing Association and the National Conference in Sales Management. In addition to his role as a professor and dean, Shane also serves as a consultant, speaker, and board member for businesses and nonprofit organizations across the country.

Today, Shane serves as the dean of the College of Business and a professor of marketing at Idaho State University. He lives in Pocatello, Idaho, with his wife Jenifer; they have two children, Andrew and Sarah.

George D. Deitz

George D. Deitz

Dr. George D. Deitz is the George Johnson Professor of Marketing and founding director of the Customer NeuroInsights Research Lab (C-NRL) at The University of Memphis. He received his Ph.D. in marketing from The University of Alabama, where he was recognized as the Fred Bostick endowed fellow and was selected to participate in the 2004 AMA-Sheth Consortium. His research has appeared in a variety of leading marketing journals, including the *Journal of the Academy of Marketing Science*, *Journal of Service Research*, *Journal of Business Research*, *Journal of Advertising Research*, *Journal of Business Logistics*, and *Journal of Business Venturing.*

George grew up in the Panama Canal Zone and completed his undergraduate and graduate degrees at West Virginia University. Soon after, he began a decade-long career in professional selling in the healthcare financial management software sector.

George and his wife, Kristine, live in Memphis, home to the world's best BBQ and the birthplace of rock and roll. They have three children, Luke, Mark, and Koren, and a lovely daughter-in-law, Rachel.

John D. Hansen

John Hansen

Dr. John D. Hansen is an associate professor of marketing and director of the Center for Sales Leadership at the University of Alabama at Birmingham (UAB). He previously served on the faculty at the University of Southern Mississippi and at Northern Illinois University, and received his Ph.D. from the University of Alabama. Prior to entering academe, he held numerous positions in industry for a Fortune 500 company.

John focuses on research issues related to salesperson and frontline employee performance in the business and consumer contexts. His research has been accepted for publication in the *Journal of Personal Selling and Sales Management, Journal of Business Research, Journal of Business Venturing, Journal of Business Logistics, Journal of Services Marketing,* and *Industrial Marketing Management*. His research has been included in several refereed conference proceedings, and his submissions to the National Conference in Sales Management and Society for Marketing Advances annual conferences were recognized as best papers.

John received the Award for Excellence in Teaching by a Doctoral Student while at the University of Alabama and the President's Award for Excellence in Teaching at UAB.

John lives in Birmingham, Alabama, and has two children, Samuel and Mary Elizabeth.

DEDICATIONS

To the R. M. "Bob" Wood Family, who have provided extraordinary support for sales education through the establishment of the Wood Sales Leadership Center. Thank you, Mark, Lisa, Jill, and Peggy, for your investment in me and toward the goal of producing the next generation of great salespeople.

Shane Hunt

To my children, Mark, Koren, Luke, and Rachel: Thank you for your love and support. You are the light of our lives. If you have learned anything from me (or from reading this text), I hope it is understanding the rewards that accompany providing valued service to others as well as the importance of following your dreams with passion and a fun-loving spirit.

George Deitz

To my children, Samuel and Mary Elizabeth, for helping me keep in perspective those things that matter most. This book is dedicated to you both.

John Hansen

PREFACE

The role of selling in our economy and our lives continues to grow. Numerous textbooks and sales courses introduce students to the best practices and importance of sales professionals to every organization. **Students and professors want—and deserve—learning and teaching experiences that engage and empower them to appreciate and choose selling as a profession.**

At conferences and teaching symposia across the country, and through surveys of students in the professional selling course at several universities, we have gathered feedback about products available for the professional selling course. Three themes emerged:

1. In a field in which digital resources are becoming more central to the selling process, instructors want **digital resources** that will help familiarize students with the processes and tools they will need in their careers.
2. **Textbooks need to be right-sized—**only long enough to provide content needed by the instructor and the student.
3. **Content must relate to students' goals and lives** to engage their interest. It should be closely woven, avoiding random use or needless repetition of sales terms and topics.

Our text and its accompanying digital resources aim to meet the challenges and needs of instructors as well as students. Its goal is to deliver the most relevant content, in the most engaging format possible, with a complete set of digital resources, to help students from all backgrounds and all career aspirations learn the science—and art—of selling. Along the way, students will come to appreciate that sales is essential to their careers and businesses and to society as a whole.

Professional Selling Is for Students

Your students will find that this text is:

- **Logically designed for student engagement.** Most existing sales texts present the subject matter as various selling "silos." Ours, instead, follows a logical sequence of chapters: Chapter 1 sets the stage by showing that *everyone* in every organization is in sales. Often, students who feel little affinity for sales are taking the course only because they "have to." Chapter 1 shows students, from the very first day of class, the relevance of sales to them—strengthening their personal engagement with the text and the course. Chapters 2 through 7 then follow a structured, logical flow of the selling process, taking students through the steps successful salespeople will use in today's marketplace. Chapter 8, "Profitology," addresses pricing and the use of analytics in sales. Chapters 9 and 10 address related aspects of achieving success in a sales career: how salespeople are compensated (Chapter 9) and the psychology of selling (Chapter 10). Also, rather than covering ethics as a stand-alone chapter, we integrate this critical concept into every aspect of professional selling, reflecting the reality of this issue in the lives of salespeople.
- **Value-oriented.** This text provides students with a powerful toolkit of sales knowledge that will help them and the organizations they work for. It combines the most current research with practical examples. In addition, we have built the text to work seamlessly with McGraw-Hill Connect® in a way that no sales product on the market can match: We have developed examples, exercises, and role plays at the same time as the text, and they are integrated into every chapter.

- **Focused on multiple sales roles.** The bulk of the content shows the importance of sales in for-profit businesses. But we also include content relating to fund-raising sales roles in not-for-profit organizations. In addition, we emphasize that career success will be partially determined by how well students tell their personal narrative and *sell themselves* to employers, investors, and graduate schools.

As students learn how to apply selling skills to their own lives, they will be more engaged to understand the discipline for all that it has to offer. They will finish the text and the course with a thorough understanding that professional selling is essential to organizational success, whatever one's role in an organization.

Professional Selling Is for Instructors

Instructors will find that our text is:

- **Right-sized for various course settings.** The first thing you'll notice when you look at the Contents listing (page XV) is that there are fewer chapters than is the case with most other products for the professional selling course. Our text contains 10 chapters—a length that instructors we surveyed consistently voted as the most desirable number. The 10-chapter length makes the content very manageable for instructors to cover in various course settings: traditional 15-week semester, 10-week quarter, 7-week online, or 5-week summer course formats.
- **Readable and relevant.** To promote engagement, we have written for today's students in a casual but business-professional style. The chapters consistently provide examples of how theory interacts with practice in organizations that are interesting and relevant to today's students. Many chapters include examples of scripted dialogues, which give students the flavor of a salesperson's voice and approach.
- **A potential recruiting tool.** With this text, you will give students content that will encourage them to learn the best practices, strategies, and careers that are part of professional selling. We've seen in our own experiences that the text's content, combined with interesting online materials, ultimately will lead to more sales majors and minors and to increased student credit hours.
- **Fully integrated with online support materials.** The text's authors themselves have carefully developed chapter content in conjunction with related online support materials. This fully integrated package, delivered on MHE's Connect platform, is a significant step up from the current sales-course standard in terms of teaching and support materials for the classroom. For those who are teaching online courses of professional selling, our product provides an unprecedented amount of Connect exercises and content. This wealth of material dramatically increases the instructor's ability to engage students regardless of physical location.

In sum, this new text for the professional selling course represents sales in a fresh, practical way. It illustrates to students the impact of sales skills on their lives and careers in all types of businesses. It shows that sales is not just a core business activity but is an **essential business skill** for every organization and individual—relevant for students in any major.

Chapter Features

The pedagogical features in our chapters are crafted around teaching and learning preferences in today's classroom:

- **Executive Perspective.** Each chapter begins with a senior manager's perspective on the role of sales to his or her business. We have recruited highly successful senior managers from a wide range of backgrounds outside of sales, including finance, operations, accounting, publishing, and politics. They represent a variety of industries and sales situations—insurance, telecommunications, building materials manufacturing and supply, the wine and spirits industry, healthcare, and nonprofit fundraising. The perspectives of these executives illustrate the need for successful leaders—from any background and in any organization—to be effective salespeople who can lead and achieve their firm's goals.

- **Today's Professional Perspective.** Each chapter also contains a profile of a recent (within five years) college graduate. These dynamic and diverse young professionals provide on-the-ground details of their work in a sales career. They also emphasize for students the utility of using on-campus job fairs, networking events, and internships to find first jobs in sales. Their profiles provide an engaging contrast with the Executive Perspectives boxes and resonate with students.
- **In-chapter Connect Assignments.** Three Connect Assignments per chapter provide immediate online opportunities for students to review and practice content they've just learned. These exercises appear at the end of key content sections in each chapter.
- **Ethics coverage.** Ethics is an essential element in professional selling as well as in AACSB assessment requirements. Every chapter of the text includes real-world discussion and examples of business ethics, highlighting how ethical issues permeate selling decisions.
- **Career Tips.** Each chapter ends with advice that can help students master the sales process. These career tips from leading sales executives and sales instructors will help students develop skills that will be beneficial throughout their professional lives.
- **Standard learning format.** Chapters are structured around a standard learning format: ***Learning Objectives, Chapter Summaries,*** and ***Key Terms***. The learning objectives, using Bloom's taxonomy verbs, break chapter content into manageable chunks and give students and instructors concrete goals for learning.
- **Rich end-of-chapter assignment material.** Each chapter ends with a rich set of review and assignment material: ***Discussion Questions*** help students expand their thinking just a bit past the chapter content, putting their learning into context. An ***Ethical Challenge*** presents a situation related to chapter content that asks questions to help students think through ethical issues involved in selling decisions. The ***Role Play*** sets up a situation in which students practice being either the seller or the buyer and then reflect on the situation and provide feedback to the class. The ***Sales Presentation*** is available in Connect and typically asks students to provide a short (three- to five-minute) sales presentation. All end-of-chapter assignment material has been written and developed by the text's authors.

Supplements Package

HDH *Professional Selling* is committed to having the *best supplements package* in the professional selling text arena. It offers a total learning experience that integrates text content, Connect exercises, and social media throughout the life of the product.

- **Instructor's Manual**
- **PowerPoint Presentations**
- **Test Bank and Quizzes**
- **Video Library**
- **Connect Content Matrix:** Looking to see a listing of all of the assignable assets available for a particular chapter or learning objective? Look no further than the Connect Content Matrix, found in the Instructor Resources listing to the left.

- **Marketing Insights Podcast Series:** Go beyond the text! Our Marketing Insights Podcast Series connects you to sales content intended to inform, educate, entertain, and inspire. Updated regularly with timely topics, these seven- to ten-minute podcasts were created by marketing and sales professionals with you in mind. Available on iTunes, Spotify, Google Play, and Stitcher to go with you wherever you go.
- **Weekly Article Recommendations from the Textbook Authors via Social Media:** Go to our website, huntmello.com, or follow author Shane Hunt on Twitter @drshanehunt.

Conclusion

We strongly believe that sales is at the heart of modern business. Understanding and using the aspects of sales in order to improve for-profit businesses, not-for-profit organizations, and students' career prospects is a critical educational activity. Such an understanding is relevant to any undergraduate student, regardless of their functional area of academic focus.

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C. Shane Hunt
Idaho State University

George D. Deitz
The University of Memphis

John D. Hansen
University of Alabama at Birmingham

Students: Get Learning that Fits You

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Connect is designed to make you more productive with simple, flexible, intuitive tools that maximize your study time and meet your individual learning needs. Get learning that works for you with Connect.

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> ***"I really liked this app—it made it easy to study when you don't have your textbook in front of you."***
>
> \- Jordan Cunningham,
> Eastern Washington University

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Everything you need in one place

Your Connect course has everything you need—whether reading on your digital eBook or completing assignments for class, Connect makes it easy to get your work done.

Learning for everyone

McGraw Hill works directly with Accessibility Services Departments and faculty to meet the learning needs of all students. Please contact your Accessibility Services Office and ask them to email accessibility@mheducation.com, or visit **www.mheducation.com/about/accessibility** for more information.

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ACKNOWLEDGMENTS

Special Thanks to Our Reviewers

We send special thanks to the reviewers who provided feedback that was essential to the development of this product:

Sterling Bone
Utah State University Logan

Brian K. Collins
Virginia Polytechnic Institute and State University

Cristina Connolly
California Polytechnic State University

Diane Edmondson
Middle Tennessee State University

Jeffrey Hoyle
Central Michigan University

Robert Leach
Atlanta Technical College

David Lehman
Kansas State University

Patrick Pallentino
Florida State University

Joel Petry
Southern Illinois University Edwardsville

Ian J. Scharf
University of Miami

Amanda Stoecklein
State Fair Community College

Del Wakley
Milwaukee Area Technical College

In addition, this product would not have been possible without the effort and expertise of many people. First and foremost, we recognize and thank the entire editorial and marketing teams at McGraw-Hill Education who have made this product possible. We thank Meredith Fossel, who surrounded us with the best team in all of higher-education publishing. We also thank our development editor, Haley Burmeister, for keeping us on track and focused on all of the integrated aspects of the product, and Nicole Young, a truly amazing marketing manager, whose vision was instrumental in communicating the message of our product. We especially thank our content editor Ann Torbert, whose incredible efforts, guidance, and support made every page of this product better and more student-focused.

We also thank Maria McGreal, Keri Johnson, Jacob Sullivan, Kristin Piljay, and all of the talented people McGraw-Hill assembled, whose guidance and feedback made the product much better. It has been our pleasure and privilege to work with these incredibly talented and skilled professionals who have shaped the final product that you are about to read.

A special thank you to Cortney Kieffer, who was Shane's first McGraw-Hill field sales representative when he became a professor. Cortney was our first exposure to McGraw-Hill, and her professionalism, dedication to our students, and friendship made us want to be part of the McGraw-Hill family.

We also thank our colleagues at Idaho State University, the University of Memphis, and the University of Alabama at Birmingham. It is an honor every day to work with brilliant people who genuinely and passionately care about the education of our students. Their support and friendship is priceless, and we feel very thankful to be part of these truly world-class institutions.

We thank our families for their love, support, and patience while we developed this product. In addition, we thank the great faculty members at Oklahoma State University and the University of Alabama for the training and knowledge they gave us during our doctoral programs. We also thank our many outstanding colleagues in the private sector, who provided us with experiences that sharpened our focus on the practical applications of sales and the need to prepare our students for today's competitive job market.

Finally, we thank our students. Teaching the sales course is one of the best jobs in the world because of the students we get to educate, help, and learn from. The students at Idaho State University, the University of Memphis, the University of Alabama at Birmingham, as well as those throughout the country and the world, drove our decision to create this product. Professional selling is an extremely important topic for their careers and their lives, and we hope we have developed a product to help them succeed and achieve their dreams.

Shane Hunt, George Deitz, John Hansen

DETAILED CONTENTS

Chapter **2**

Prospecting and Qualifying

Learning Objectives

After reading this chapter, you should be able to:

LO 2-1 Describe the importance of prospecting, the challenges associated with prospecting, and why many salespeople are hesitant to prospect.

LO 2-2 Contrast the hunting and farming sales orientations, and explain the role inside sales can play in prospecting.

LO 2-3 List the steps in the prospecting process and the necessary requirements for a lead to be qualified as a prospect.

LO 2-4 List common lead-generation methods.

LO 2-5 Explain the activities involved in formulating a prospecting strategy.

LO 2-6 Explain the importance of salesperson ethics in prospecting for new customers.

George E. Hayes
Co-Owner
Southern Grit


George E. Hayes

Describe your job.

Currently, I am the co-owner of Southern Grit, a concrete-coating startup located in Birmingham, Alabama. We specialize in concrete coatings as well as polishing concrete for the residential and commercial markets.

How did you get your job?

I attended the University of Alabama, and the first job I landed out of college was with a finance company. Looking back, I don't know why they hired someone with a general management degree to manage accounts and conduct internal-account audits. I must have done a good job selling them on myself.

A few years into this position I discovered that I didn't love what I was doing. I looked at my manager's position and on up the continuum to the vice president's position, and I didn't have the desire to do any of their jobs.

One day, during lunch with a coworker, I was introduced to someone who worked for DEWALT. I couldn't believe that I was sitting in an office looking at numbers and *he* was driving around to accounts in a cool-looking yellow DEWALT truck, selling power tools. The passion and enthusiasm that he had when describing his job to me were contagious. Instantly I knew that this was something that I would love to do! I did everything in my power to figure out how to secure a job with DEWALT. Several months later I got an interview and had an offer letter for a sales-rep position calling on The Home Depot in Birmingham, AL.

This position was a perfect fit. It was the first time I could say I truly loved what I was doing. I enjoyed the people, culture, and products, and I was learning something new every single day. Over the next several years I moved with DEWALT from Birmingham to Houston, ultimately landing at the corporate office in Towson, Maryland.

During my tenure at DEWALT, I was promoted through the organization—from sales representative to territory manager, operations manager, and marketing manager roles. And, yes, I loved every single position I had. While I was a marketing manager in Towson, my wife and I decided to try to move back to the Southeast to be closer to our families. To this day, deciding to leave Towson was the hardest professional decision I've made. I put out some feelers and landed a pharmaceutical sales position with Eli Lilly and Company back in Birmingham. Calling on physicians to drive demand in the pharmaceutical industry wasn't very different from selling to The Home Depot. I was in sales, learning new products in a new industry, and facing new challenges.

One evening I received a call from Newell Rubbermaid asking me to come to Atlanta to discuss an opportunity they had open at The Home Depot. I took a trip over to Atlanta and was ultimately offered the position of Strategic Account Manager of Hardware & Home Improvement Sales at Newell Rubbermaid. This was a wonderful career opportunity, and the people and culture at Newell Rubbermaid were a perfect fit.

Upon accepting the offer, we packed our bags and moved the family to Atlanta. I loved working with Newell Rubbermaid and, once again, loved what I was doing. Over the course of the ten years I was in Atlanta, I made a few career changes, ultimately working with Bradshaw Home Products as Vice President of sales, running the Hardware & Home Improvement division. I continued to love what I was doing. During my last few years at Bradshaw Home Products, Laura and I were very fortunate to be able to relocate back to Birmingham so we could be close to our families and continue to raise our family of five.

After being back in Birmingham for a few years, I decided to partner with a friend, Brett Hubbard, who had recently sold a family business. The timing was perfect for the next chapter in my career. We launched Southern Grit, a startup company focusing on concrete coatings and polishing concrete. We love what we do!

What has been most important thing in making you successful at your job?

Love what you do.

What advice would you give future graduates about a career in sales?

Take your time and do your due diligence when making a career decision. Make a list of pros and cons as well as a five-year plan supporting your career decision. Don't get distracted by chasing a title. Try your hardest, do your best, and the VP, GM, or CEO title will come to you. When you get the title, you will realize that the title isn't important—it's what you did to get there that is important. Also, value the people and experiences throughout your career.

What is the most important characteristic of a great salesperson?

Don't be afraid to make mistakes. You will fail and make mistakes during your career. If you don't, you're not trying hard enough. Learn from your mistakes and leverage them to make you a better person. With this being said, don't make the same mistake twice.

AN INTRODUCTION TO PROSPECTING

LO 2-1

Describe the importance of prospecting, the challenges associated with prospecting, and why many salespeople are hesitant to prospect.

prospecting

The process through which salespeople identify and engage with new customers or new areas of business with existing customers.

Prospecting is the process through which salespeople identify and engage with new customers or new areas of business with existing customers. It is one of the more challenging tasks that salespeople are asked to perform. For most, it is not the most enjoyable part of the job, partly because it is not easy and the potential for rejection is high. Yet, many would argue that prospecting is one of the most important things—if not *the* most important thing—that salespeople do.

The Importance of Prospecting

Why is prospecting so important? Why does it play a critical role in determining sales success? First and foremost, there can be no sale if there is no customer. In this way, prospecting is the lifeblood of the sales organization. It is the process that produces a continuous flow of organizational customers and business opportunities. Without this flow, the organization and its sales force would cease to exist. There would be no need for either.

quota

A quantifiable sales goal for a given time period.

Moreover, at the individual salesperson level, salespeople must prospect to help ensure the attainment of their sales goals. In most sales positions, salespeople are given a **quota**, or a quantifiable sales goal for a given time period. Many factors can affect whether salespeople achieve their quotas. At its core, though, the sales role ultimately requires that salespeople be able to sell more to their existing customers *while also* identifying and engaging new customers. Experienced salespeople will tell you that consistent goal attainment requires both of these things—you cannot focus on one to the neglect of the other. Just as salespeople must be able to manage their existing customer relationships, they must also be able to prospect for new ones.

Think, for example, about your university. Countless individuals work in development, where they focus on fundraising to support capital campaigns. These individuals understand the importance of prospecting; they will cultivate relationships with potential donors for extended periods of time before ever making a request. For them, the ability to identify the right people as donors plays a critical role in determining their individual success—and the success of your university.

Thus, sales success requires an ability to prospect for new business. Salespeople who assume that they will be able to attain their goals by simply selling more to all of their existing customers are not being realistic. This will not happen. While they may have some customers who buy more over time, they will also lose some customers due to *attrition*, a reduction or decrease in number. There are a variety of reasons for this attrition. For example, customers may be dissatisfied, they may hit a rough patch or go out of business, or they may cease operations in the category the salesperson sells in. Whatever the reason, a certain level of attrition is inevitable and to be expected. As a result, a certain level of prospecting is required. Through new customers and growth opportunities, prospecting can help offset the challenges customer attrition will inevitably present.

This chapter focuses on the prospecting process. Understand that while some may think of prospecting in terms of new customers only, prospecting also occurs when salespeople sell new products or services to their existing customers. That said, our focus in this chapter is on the process through which salespeople identify and engage new customers. In the following section, we discuss the challenges associated with prospecting.

The Challenges Associated with Prospecting

The things that are most important in a job are often the most difficult. Such is the case with prospecting in sales. It is not easy and, for most, it is not fun. In fact, many salespeople will tell you that prospecting is the most challenging thing they are asked to do in their job.

SDI Productions/iStockphoto/Getty Images

Why is this? Why can prospecting be such a daunting task? First, prospecting can be a very inefficient activity compared to others performed by salespeople. In fact, in some instances, salespeople are happy with a success rate of 10 percent when prospecting. This may mean that only 1 out of 10 prospects is receptive to a meeting, or that it takes 10 attempts to secure a meeting with a particular prospect. At this rate, salespeople invest a great deal of time against what can seem like minimal returns. This challenge has only become more pronounced with the recent onset of the global coronavirus pandemic. Buyers have become even more difficult to reach, and those operating in economic sectors that have slowed are hesitant to invest given the uncertainty that looms in their businesses.

One reason for prospecting inefficiency also contributes to the overall challenge that prospecting can present: Buyers are often hesitant to explore the possibility that they have a need for the product or service. Think about your own interactions with salespeople who have attempted to sell you something in the past. Perhaps at first you did not think you needed what the salesperson was selling. You were skeptical, in part because you did not want to dedicate the time that a conversation would have required. Although professional buyers are seeking to enhance the effectiveness and efficiency of the companies they work for, they are subject to this same thinking. Buyers are not only inundated with requests for meetings from salespeople but also limited by time constraints and therefore not able to accept all of these requests. As their time is valuable, they have to make decisions about which salespeople they are or are not going to meet with.

Moreover, the consultative-type sales approach also plays a role: Salespeople are anxious to talk with prospects about the problems the prospects are facing in their business. But because most buyers already have a long list of problems to address, it is only natural that they will be hesitant to engage in conversations about additional problems. In fact, experienced salespeople often state that the greatest objection they must overcome when prospecting stems from this issue. *It simply is easier for a buyer to do nothing than to do something*. Indeed, we are often comfortable accepting the status quo as long as we do not believe that there are any grave consequences associated with doing so. Given this human inclination, it is important that salespeople attempt to quantify the **opportunity costs**, or the costs associated with doing nothing or with other alternatives, for the buyer. In many instances, these costs are much greater than the costs associated with implementing a solution.

opportunity costs
For the buyer, the costs associated with doing nothing or with other alternatives.

A final point: Salespeople may have to overcome issues based on the company they sell for or the products and/or services they sell. Perhaps the buyer has never heard of the selling company. Perhaps the buyer has had a negative experience with the selling company in the past. Perhaps the buyer favors a different product or solution instead. Perhaps the buyer has a strong personal relationship with a different salesperson. Whatever the reason, issues such as these can make the prospecting process very challenging.

Why Salespeople Are Hesitant to Prospect

Taken in their totality, all of these factors contribute to the fact that the rejection rates when prospecting can be very high. Many people believe salespeople to be immune to rejection, but this is typically not the case. Most of us do not like to hear "no." Rejection wears on us, and it carries an emotional toll than can be demoralizing.

Because of this, some salespeople can become hesitant to engage in the prospecting process. Salespeople may even struggle with **call reluctance**—an avoidance of customer interactions—when prospecting.

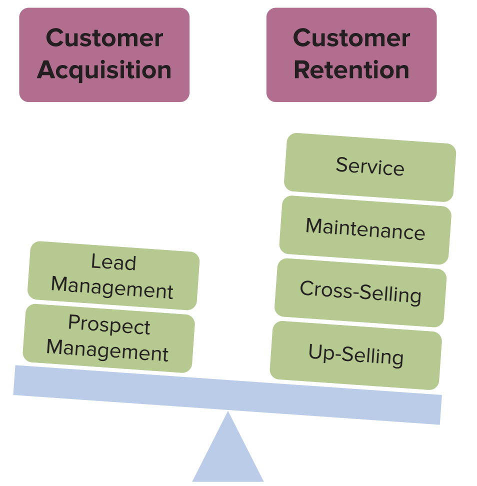
call reluctance

An avoidance of customer interactions.

Experienced salespeople who have grown accustomed to the prospecting process and its challenges will tell you that prospecting success requires repetition. It requires consistency and a strong persistence. Moreover, salespeople have to stay mindful of the fact that rejection is not personal. It is business, and a natural part of the prospecting process that must be dealt with.

Salespeople may also be hesitant to prospect because they feel it will take too much time away from their existing customer relationships. Given the heightened service requirements salespeople must now meet in order to effectively manage these relationships, this concern is legitimate. Customer retention takes time and effort, and salespeople have to avoid becoming complacent and taking their relationships for granted. Because of this, some are wary of allocating too much time to customer acquisition.

FIGURE 2-1 Time Allocation Imbalance: Customer Acquisition versus Customer Retention



This time allocation imbalance is shown in Figure 2-1. The time required to manage existing relationships often far exceeds the time allocated to customer acquisition. This is a slippery slope, however: Some customer attrition is to be expected even when salespeople are doing all they can to ensure the continued development of their existing customer relationships. Thus it is important that salespeople strike the right balance when managing the amount of time they invest in their existing relationships against the time they spend prospecting.

To help ensure an adequate focus on these two activities (customer acquisition and retention) at the organizational level, sales leaders have begun differentiating sales roles based on activities performed. We discuss this in the following section, with a particular focus on the hunting and farming sales orientations. We also discuss the explosive growth seen in inside sales, a function that in recent year is often tasked with prospecting.

connect Assignment 2-1

The Challenges of Prospecting

Please complete the Connect exercise for Chapter 2 that focuses on the challenges associated with prospecting. By understanding why salespeople struggle with prospecting, you will gain insight into how salespeople can be more focused and reduce call reluctance.

LO 2-2

Contrast the hunting and farming sales orientations, and explain the role inside sales can play in prospecting.

MATCHING PERSONAL STRENGTHS TO PROSPECTING ROLES

We have seen a dramatic evolution in sales over the past decade. For one thing, salespeople have assumed the role of trusted advisors in the relationship-development process. For another, the sales field has also evolved in its understanding of the different skills required for success across the different types of sales roles that exist. There has been a growing realization that, to enhance organizational effectiveness and efficiency, salespeople should focus on those activities at which they are most proficient. In fact, many now believe that sales success is a function of fit between the salesperson and sales role. Not surprisingly, salespeople are far more likely to succeed when placed in roles that fit their strengths.

Hunting and Farming Sales Orientations

As it relates to prospecting, different salespeople have different orientations that make them more or less likely to succeed when seeking out new customers. Specifically, researchers have identified two orientations: hunting and farming.[1]

- A salesperson with a **hunting orientation** tends to focus more on securing new customers through lead generation, prospecting, pre-call planning, and delivering sales presentations.
- In contrast, a salesperson with a **farming orientation** tends to focus more on selling to existing customers by building long-term relationships.

hunting orientation
A focus on securing new customers through lead generation, prospecting, pre-call planning, and delivering sales presentations.

farming orientation
A focus on selling to existing customers by building long-term relationships.

In essence, hunters excel at identifying and engaging new business; farmers are more adept at managing existing relationships.

Some salespeople are inherently oriented to both types of activities. Others tend to favor one orientation over the other. This is fine. Neither orientation is better than the other—both are needed for the firm to succeed. The key lies in salespeople knowing their own strengths, and management placing them in roles that leverage these strengths.

One way to discover your strengths as a salesperson is through a professional assessment. GrowthPlay (www.growthplay.com) is a sales consulting firm that assists firms with this process. Specifically, GrowthPlay provides an assessment designed to assist both the firm and the salesperson in understanding what role best fits the salesperson. Similar in nature to the hunting and farming orientations, GrowthPlay's assessment differentiates *new-business developers* from *account managers*. New-business developers, like hunting-oriented salespeople, uncover new opportunities. They promote company offerings, focus on prospect-conversion processes, develop a presence in competitive markets, and expand coverage beyond the existing customer base. On the other hand, account managers, like farming-oriented salespeople, increase purchases and expand sales to current customers. They are proactive in strengthening existing customer relationships, focus on meeting existing customer needs, and assume the responsibility of handling special requests to solve existing customer problems. The GrowthPlay assessment provides firms a means through which they can practically differentiate the hunting and farming sales orientations, ensuring that the right people are assigned to the right sales roles.

The Role of Inside Sales in Prospecting

From a functional perspective, another trend in recent years involves the explosive growth in use of inside salespeople. As discussed in Chapter 1, **inside salespeople** perform selling activities at the employer's location. They differ from their traditional outside counterparts in that they interact with customers only remotely, though phone, email, text, social media, the internet, or some other form of remote technology. Thus, while outside salespeople visit their customers onsite, inside salespeople do not. Inside sales forces are most effective when they work closely with the outside sales force. Indeed, in some instances, inside salespeople prospect to identify potential new customers, who are then handed off to an outside counterpart to further develop the relationship. In most instances, one inside salesperson will support multiple outside salespeople (e.g., one inside salesperson may work with three outside salespeople).

inside salespeople
Salespeople who perform selling activities at the employer's location, typically using email and telephone.

antonioguillem/123RF

The use of an inside sales force has become increasingly common for several reasons. First, inside salespeople, compared with their outside counterparts, are incredibly cost-efficient. Inside reps are able to interact with a large number of customers without the expenses typically associated with travel. Second, many firms have come to understand that using inside as well as outside sales forces allows for a better division of labor. Inside salespeople can handle certain sales responsibilities while outside salespeople handle others. If these responsibilities are allocated correctly, the firm can not only become more efficient but also ensure effective management of the overall sales process.

As an example, a firm could differentiate customers based on sales and profitability potential, and have inside salespeople interact with lower-potential customers while outside salespeople interact with higher-potential customers. Or, as was previously noted, the firm could differentiate the various steps in the sales process and have inside salespeople handle certain steps while outside salespeople handle others.

From a prospecting perspective, inside salespeople will often perform the activities required to initiate a relationship. They will, for example, contact potential customers via phone or email and engage in an initial qualifying conversation. If sales potential does indeed exist, the inside salesperson will transfer the prospect to an outside salesperson for an onsite meeting.

Many companies have now established inside sales positions as an introductory role for newly hired salespeople. New hires will begin in an inside sales position, learning more about the company and customer base, and will eventually transfer to an outside sales position when performance merits a promotion. Inside salespeople tasked with generating leads may be alternately referred to as **sales-development representatives**.

sales-development representatives
Inside salespeople tasked with generating leads.

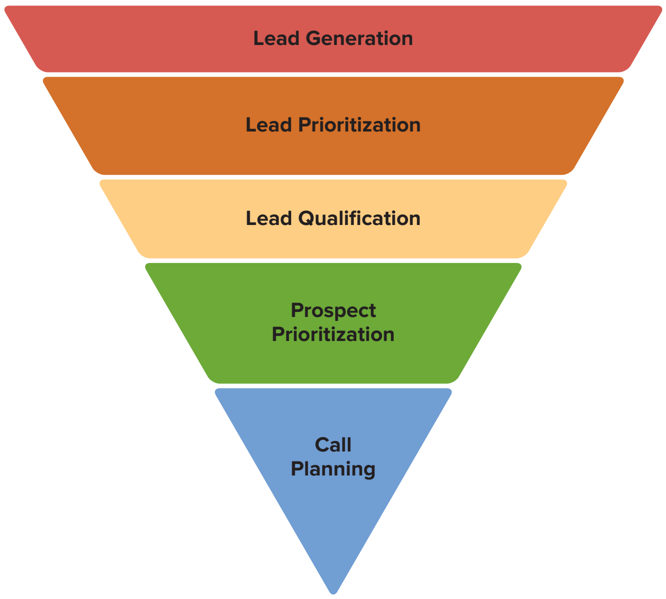
We have seen significant growth in the use of inside sales forces in recent years. In fact, the U.S. Department of Labor has estimated that 750,000 new inside sales positions will be created between 2013 and 2020.[2] The American Association of Inside Sales Professionals (www.aa-isp.org), which was created in 2009 as a support mechanism for inside salespeople, now has over 12,000 members. The association has approximately 60 chapters that span the globe, staffed by individuals who volunteer to keep those in the industry abreast of the latest trends and best practices in inside sales.

THE PROSPECTING PROCESS

LO 2-3
List the steps in the prospecting process and the necessary requirements for a lead to be qualified as a prospect.

Throughout this chapter, we have referred to prospecting as a process. This process is depicted in Figure 2-2. As shown, the process begins with *lead generation*. As not all leads are created equal, salespeople must *prioritize the leads* and then *qualify* them to determine which are actual sales prospects. From there, to ensure effective time management, salespeople should *prioritize their prospects* based on importance. Last, once they then have a list of prospects that are ranked by importance, salespeople should *plan calls*—taking the necessary steps to ensure they are prepared to meet with the sales prospects.

FIGURE 2-2 The Prospecting Process



Most people in sales view the prospecting process as a funnel through which the number of prospects dwindles as the process unfolds. Salespeople can pursue two schools of thought in the prospecting process:

1. Salespeople should generate as many leads as possible, making the funnel very wide at the top, to transition an adequate number of leads into prospects.
2. The very-wide funnel is an inefficient form of prospecting. People who hold this view argue that a wide funnel causes salespeople to waste time and effort working through many leads that do not have potential. Those with this perspective argue instead that it's better to be effective at the various steps contained in the funnel, as opposed to simply loading the funnel with as many leads as possible at the top. Obviously, the second approach is more efficient, but it requires more skill on the part of the salesperson.

Whichever the technique, the end goal is the same: to generate an adequate level of new business. In the following sections, we discuss in greater detail each step of the prospecting funnel.

Lead Generation

A **lead** is an individual or organization that exhibits characteristics similar in nature to those exhibited by current customers. Thus, leads possess characteristics that would indicate the possibility that the individual or organization may be qualified as a prospect. For example, a firm may possess organizational demographics that are similar in nature to other firms who currently purchase from the organization. Obviously, those characteristics in no way guarantee that the firm will have a need for the product or service being offered. It simply means that similarities exist and that the firm may meet the requirements needed for designation as a prospect. As lead generation is the starting point in the prospecting process, later in the chapter we

lead
An individual or organization that exhibits characteristics similar in nature to those exhibited by current customers.

will spend more time on this step, looking at the different methods through which leads can be generated.

Lead Prioritization

Not all leads are created the same; some have a higher likelihood of benefiting from the products and services provided by the firm. Therefore, to enhance efficiency, salespeople need to differentiate their leads based on the potential to ensure a greater return on the time they invest with them.

Leads can be differentiated in many ways. One of the most common ways is the inbound-lead versus outbound-lead designation. **Inbound leads** are those in which the lead initiates the interaction with the firm. **Outbound leads** are those in which the firm proactively contacts the lead. For example, if a buyer contacts the firm based on the recommendation of a colleague, the buyer and the organization he or she represents would be classified as an inbound lead. Conversely, if an inside salesperson proactively contacts this same buyer, with no initiation on the part of the buyer, the buyer would be categorized as an outbound lead.

inbound leads
Leads initiated by the potential buyer.

outbound leads
Leads in which the selling firm proactively contacts the lead (the potential buyer).

Often, organizations have different processes in place for the management of inbound and outbound leads because the likelihood of success is much higher in the case of inbound leads. These leads are given a higher priority and are therefore acted upon more quickly.

The distinction between hot leads and cold leads is similar. A **hot lead** is an individual or organization that has shown some level of interest in the product or service being offered. A **cold lead** has yet to demonstrate this interest. Thus, inbound leads are a type of hot lead; outbound leads are but one type of cold lead.

Salespeople tasked with following up on leads need to know how the leads came—whether they are inbound or outbound, hot or cold. With that knowledge, they will be able to ensure that they are targeting the right leads in order to maximize efficiency in their prospecting activities.

hot lead
An individual or organization that has shown some level of interest in the product or service being offered.

cold lead
An individual or organization that has yet to demonstrate interest in the product or service being offered.

lead qualification
A process designed to differentiate leads from prospects.

prospect
An individual or organization that demonstrates a need for the product or service being offered, possesses the authority and ability to purchase, and demonstrates both organizational potential and purchasing alignment.

Lead Qualification

Lead qualification refers to a process that is designed to differentiate leads from prospects. A **prospect** is an individual or an organization that:

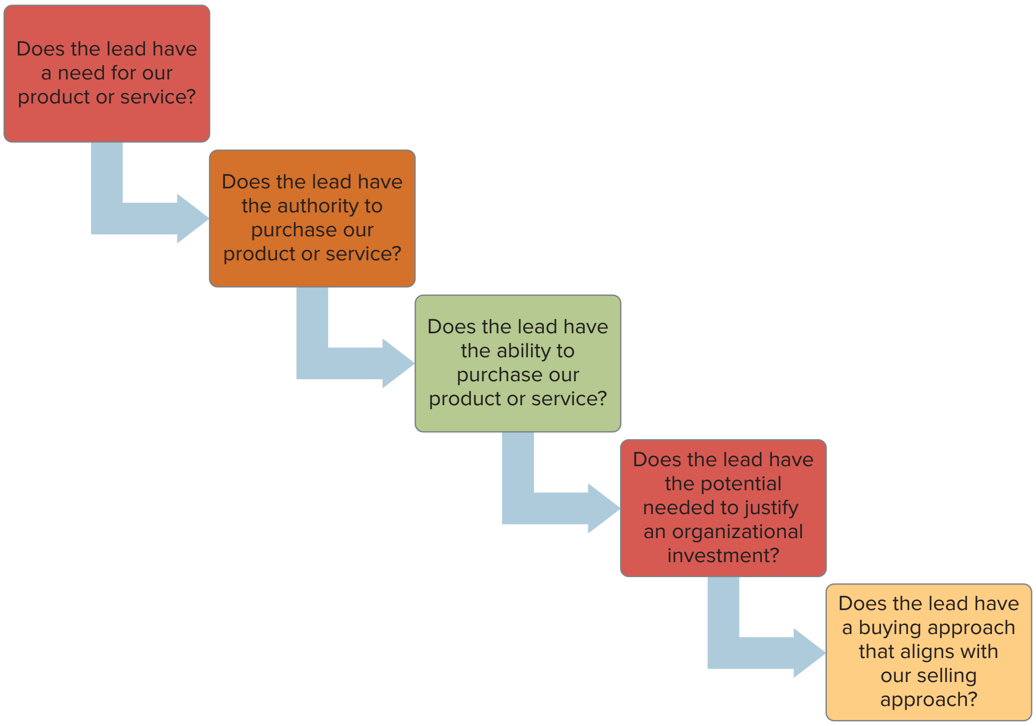
- Demonstrates a need for the product or service being offered.
- Possesses the authority and the ability to purchase.
- Demonstrates both organizational potential and purchasing alignment.

For a lead to be qualified as a prospect, salespeople must be able to answer "yes" to the questions shown in Figure 2-3.

The first of these questions is easily the most important. Without a *need*, there is no reason for the salesperson to pursue the lead. Indeed, when prospecting, everything should begin with a determination of whether a need exists. Needs are the basis from which everything begins in the sales process—they provide a necessary foundation from which the sales process can unfold.

That said, buyers may sometimes be unaware of underlying, latent needs. In these situations, the salesperson can question the buyer to help develop a mutual understanding of the need. In complex buying situations, the need-identification process can extend for a considerable amount of time. It may take numerous interactions for the selling and buying organizations to reach a final determination of the need at hand, and often multiple people will be involved on both the selling and buying sides.

FIGURE 2-3 Lead-Qualification Questions



Beyond the need, it is also important the lead have both the *authority* and the *ability* to purchase. Salespeople should focus on two issues when addressing purchasing authority:

- Am I dealing with a decision maker?
- From a channel-management perspective, is the lead eligible to purchase?

With respect to the first question, there is nothing more frustrating for a salesperson than finding that he or she has been having conversations with someone within the buying organization who does not have the authority to purchase. Salespeople must ensure that this person does indeed have the authority ultimately to authorize a purchase. While individuals who do not have purchasing authority may play a role in the decision-making process, they cannot be the sole point of contact for the salesperson. Salespeople must determine who the ultimate decision makers are and bring these individuals into the conversation at a very early point. This is critically important as it will help ensure efficiency through effective time management.

With respect to the second question, salespeople must also be aware of how a potential customer will be categorized from a channel-management perspective. What does this mean? In instances where selling organizations have different salespeople selling to different types of customers within the same geographic region, salespeople have to be careful to ensure that they are funneling the customer through the proper channel. There may be instances in which the customer does not have the authority to purchase through the channel a particular salesperson represents.

In these instances, the salesperson must transition that customer to the proper channel. As a simple example, let's say there are two salespeople in a geographic region. One of these salespeople sells only to those customers who buy direct from the company; the other sells only to those customers who buy through a wholesaler. To understand which salesperson should sell to a particular customer, both salespeople would have to make a determination of how that customer purchases (direct or through a wholesaler).

Once authority has been established, the salesperson must also determine whether the customer is able to purchase. In the consumer context, we tend to think of this in terms of the customer having the money required to make the purchase. This issue may also arise in the business context: smaller business customers may not have the financial resources a large investment requires. Even more common, however, are instances in which budgetary constraints limit an ability to purchase. In these instances, the customer may have limited financial resources due to major expenditures already planned. It is therefore important that the salesperson ask about planned expenditures, to determine their importance in relation to the need being addressed.

The final lead-qualification questions focus on the *potential* a lead possesses and the *alignment* that exists between the selling and buying organizations. In terms of potential, salespeople must understand that the prospecting process can require a significant investment at the individual salesperson and organizational levels. The most obvious example of this is time: Salespeople may have to spend considerable time developing and maintaining a relationship with the customer. This time is not free; there are opportunity costs in the form of forgone time investments that could be made elsewhere. From an organizational perspective, salesperson time is extremely valuable, given the costs associated with sales force management. As such, there may be instances in which leads meet the first three criteria (a need, along with the authority and ability to purchase), but just do not show the potential required to justify the resource expenditures needed to establish and maintain a relationship.

Salespeople should also seek to understand what type of approach the buying organization favors when working with suppliers, to determine whether this approach aligns with that of their company. As an example, there may be instances in which a salesperson comes to realize that the buying organization is very transactional in nature; in such a case, it may favor an arms-length approach and a reliance on power and an accompanying sense of supplier dependence to ensure desirable relationship outcomes. This buying approach might be perilous for the selling company, in which case the salesperson may think it best to focus on other prospects. Obviously, when making this decision, the salesperson would also have to take into account customer potential.

Prospect Prioritization

Given their time constraints, salespeople should next seek to prioritize the prospects they have identified. **Prospect prioritization** refers to a process through which salespeople can rank-order prospects based on their desirability.

One of the ways to prioritize prospects is through the use of an **ideal customer profile**—a profile of organizational characteristics shared by current highly desirable customers. Salespeople can use this information to identify which prospects are most similar to these highly desirable customers. The prospects who are similar in nature to these customers would be given the highest priority. Thus an ideal customer profile provides yet another tool through which salespeople can ensure prospecting efficiency.

prospect prioritization

A process through which salespeople rank-order prospects based on their desirability.

ideal customer profile

A profile of organizational characteristics shared by current, highly desirable customers

Sales-Call Planning

Once all prospects have been prioritized, salespeople should begin preparing for the sales call. There may be multiple salespeople involved in this planning process, particularly if an inside salesperson has identified and qualified the prospect. In these situations, the inside salesperson will have information about the prospect that should be shared with the outside salesperson. In complex sales situations, where team-based selling is more common, all sales team members must be provided this information. Communication across team members is key to ensure a shared understanding of the customer and situation.

Pre-call information can be organized in many ways. Figure 2-4 shows one example: the SPIN call-planning template. As we will discuss in Chapter 6, SPIN is a sales methodology designed to assist salespeople in developing a questioning process that focuses on four question types: Situational questions, Problem questions, Implication questions, and Need-Payoff questions. The SPIN call-planning template provides an organizing document that salespeople can use to ensure adequate meeting preparedness. The template forces salespeople to think through their primary and alternative call objectives, customer-oriented purpose statement, anticipated questioning strategy, and relevant organizational capabilities.

The template also requires that the salesperson gather information to ensure an understanding of the situation confronting the customer. Figure 2-5 provides examples of relevant buyer-level and organizational-level questions that salespeople should address when planning for the sales call.

FIGURE 2-4 SPIN Call-Planning Template

Sales Call-Planning Template

Customer: Call Date:
Contact Name: Call Time:

Customer History (Relevant Notes):

Call Objectives:
Specific, **M**easurable, **A**ctionable, **R**ealistic, **T**ime-Based

Primary Call Objective:
-

Secondary Call Objective:
-

Anticipated Needs:

Value Proposition (How do we meet these needs?):
-
-
-

SPIN Questioning Strategy

Potential **S**ituational Questions	Potential **P**roblem Questions
• • •	• • •
Potential **I**mplication Questions	Potential **N**eed-Payoff Questions
• • •	• • •

Post-Call Follow-Up

Task:	Responsibility:	Date:
•	•	•
•	•	•
•	•	•

Meeting Notes:

FIGURE 2-5 Call-Planning Questions

Buyer Questions

- How long has the buyer been with the organization?
- Does he or she have any history with the selling firm? If so, were previous interactions positive or negative?
- What personality characteristics does the buyer exhibit? Does the buyer seem more rational or emotional in his or her approach? Is the buyer someone who will move quickly?
- Does the buyer seem to favor individualistic or collective decision making? If the latter, who else may be involved on the purchasing side?
- Where does the buyer seem to be in the buying process? What information has he or she already gathered? How might this information benefit or hurt the selling firm?

Organizational Questions

- What is the history of the customer?
- Who does the customer compete against? How is the customer positioned against its competitors?
- Does the customer have a history of purchasing in the product or service category offered by the selling firm?
- What marketplace trends or challenges may be affecting the customer?

connect Assignment 2-2

The Prospecting Process

Please complete the Connect exercise for Chapter 2 that focuses on the prospecting process. By better understanding the prospecting process, salespeople can better match their personal strengths to prospecting roles that increase their likelihood for success.

LO 2-4

List common lead-generation methods.

LEAD-GENERATION METHODS

We've seen that the overall prospecting process begins with lead generation. It therefore is important that salespeople identify and understand the different lead-generation methods they may use. Here, we present some common lead-generation methods. Because social selling has come to assume a more prominent role in sales in recent years, we begin with a discussion of virtual networking via social media.

networking
Activities through which individuals communicate to strengthen their professional and/or social relationships.

virtual networking
Networking activities that take place via social media.

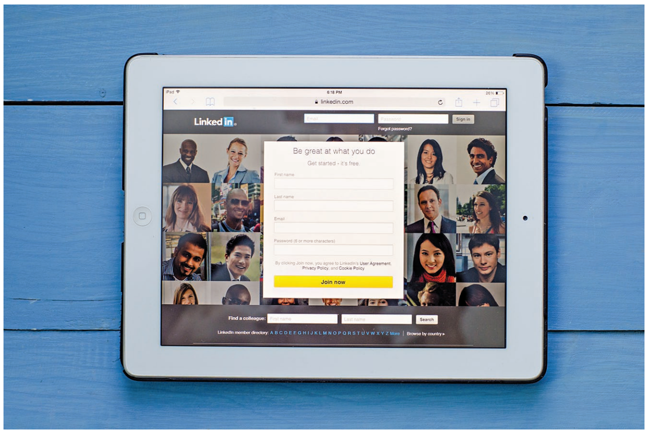
Virtual Networking

Networking refers to activities through which individuals communicate to strengthen their professional and/or social relationships. When we say **virtual networking**, we are referring to instances when these activities take place via social media. As you can probably attest, we live in a virtual world. Many of us now spend more time managing our virtual relationships than we do managing our traditional relationships. While social media usage has created opportunities and challenges in society, it has also altered the way salespeople prospect for new customers.[3]

social selling
A sales approach that develops, nurtures, and leverages relationships online to sell products or services.

Social selling, defined in Chapter 1 as the process of developing, nurturing, and leveraging relationships online to sell products or services, can be beneficial throughout every stage of the selling process.[4,5] Prospects today are sharing incredibly valuable information on their social channels. Salespeople can use information about customer needs and wants, detailed on public profiles, to send communications that are personalized, relevant, and helpful. Building a strong personal brand and network through social media channels allows salespeople to seek out introductions to new prospects through existing mutual connections.

How should you go about building this personal brand? First, whenever you meet someone interesting offline, extend an invitation to connect with them digitally. With more than 600 million users worldwide, LinkedIn (www.linkedin.com) represents the most important social platform for business networking. Although LinkedIn has generic invitation messages you can use, you will be much more successful if you personalize your outreach. Your new acquaintances will be more likely to accept your invitation to connect if it's personalized. Also, their perceptions of your authenticity and professionalism will be much higher if you make an effort to connect on an individual level. For example, you might include details relating to your association and potential benefits for them from establishing an online relationship.



Roman Pyshchyk/Shutterstock

One of the biggest advantages of LinkedIn lies within its groups—of which there are currently more than 1.8 million. In most instances, salespeople can review the profiles of existing or prospective customers to see what interest groups they are active in. As an example, if the ideal target customer is a small-business owner, then the salesperson should search for groups relating to small businesses. Conversely, if the organization sells customer-service software, then salespeople should search for groups that are dedicated to customer-service managers. By advancing conversation within a group in a professional and helpful manner, the salesperson can effectively build credibility and recognition among group members, eventually resulting in new sales opportunities.

Traditional Networking

traditional networking
Face-to-face communications that are designed to strengthen an individual's professional and/or social relationships.

Traditional networking refers to face-to-face communications that are designed to strengthen an individual's professional and/or social relationships. Because individual relationships can often provide the foundation for business relationships, traditional networking has long been a valuable lead-generation method in sales. Moreover, as is the case with virtual networking, traditional networking provides salespeople a means through which they can spread their individual and company brand awareness.

Referrals

referral
A lead provided by an existing customer, based on a belief that the potential buyer may benefit from the products or services provided by the selling firm.

A **referral** is a lead provided by an existing customer, based on a belief that the potential buyer may benefit from the products or services provided by the selling firm. Because potential customers are typically more receptive to salespeople who are reaching out based on the suggestion of another customer, referrals are incredibly beneficial in sales. Moreover, existing customers are often most adept at identifying other businesses who might benefit from the products or services offered by the selling firm.

Adriano Castelli/Shutterstock

As a result, conversion rates (a measure of the rate or number of leads that become actual customers) from referrals are usually higher than conversion rates from other lead-generation methods. It is important that salespeople remember that customers are staking their reputations to the referrals they provide. Thus, salespeople must be factual in the way they represent any information provided by the referring customer.

Trade Shows

trade shows
Industry-specific events designed to bring selling companies and customers to the same location.

Trade shows are industry-specific events designed to bring selling companies and customers to the same location. Thus, customer interactions at trade shows differ from those at traditional sales meetings that are conducted via phone or on-site with the customer. Further, in most instances, selling companies will offer trade-show promotions to encourage customer purchases. Some customers will purchase almost exclusively at trade shows in order to take advantage of these promotions and their access to so many selling companies in one place.

Equally important is the fact that prospects will often approach selling companies at trade shows. These prospects are lucrative in that they are proactively approaching the selling company—they are initiating contact. This willingness to make contact usually indicates a belief on the part of the customer that a need or problem exists. Because of this, conversion rates for prospects who initially make contact at trades shows are often higher than what is seen for other prospecting methods.

Cold-Calling

cold-call
An unsolicited call or visit by a salesperson.

A **cold-call** is an unsolicited call or visit by a salesperson. While many have criticized cold-calling due to its inefficiency, sales organizations still use it as a means to identify new customers. In fact, as mentioned, many organizations now have inside salespeople handling cold-calls to enhance overall sales force efficiency.

You may think of cold-calling in terms of those bothersome phone calls you receive from telemarketers at the most inopportune times, but cold-calling is an accepted practice in many B2B contexts. In fact, even today, some organizations report higher than normal success rates in this context, particularly when there is a strong need for the product or service. That said, in relation to what we have seen historically, the percentage of firms now relying on cold-calling as their sole lead-generation method has dropped significantly.

Websites

Another significant change in sales in recent years is that buyers are now proactively beginning their search process minus any salesperson involvement. To do so, buyers frequently interact with sales websites as they attempt to gather information. While company websites are not new, the fact that buyers are willing to rely on them almost entirely as they begin their search process is. When this occurs, selling firms can capture the buyer's information and forward it to the appropriate salesperson to be acted upon. The buyer would be qualified as a hot lead, given that he or she initiated the search process.

However, at the same time, many selling firms have found that these buyers are significantly advanced in their decision-making process by the time any interaction occurs between the salesperson and the buyer. Salespeople should move quickly on leads generated through a company website, to ensure continuing interest and involvement.

Sales Directories

sales directories
Lists of leads that are typically compiled by third parties.

Sales directories are lists of leads that are typically compiled by third parties. Some of these lists are free to the public, but many third parties sell the lists. While the lists are beneficial in providing a large number of leads, salespeople will often complain that the conversion rates for these lists are quite low. As a result, salespeople may spend a great deal of time working through a list to identify potential customers. Moreover, with advances in technology, many sales organizations and individual salespeople can now compile their own lists and do not have to outsource the process to a third party.

Centers of Influence

center of influence
Someone who is both connected to and respected by a group of prospects.

A **center of influence** is someone who is both connected to and respected by a group of prospects. Salespeople who are able to build relationships with individuals who hold influential positions are often able to leverage the relationship to gain access to the group. In exchange, the salesperson may have to sponsor an event, financially support the group, or do something else to justify being granted access. However, particularly in instances when the center of influence has a wide reach and is able to draw a large number of prospects, such support may be an investment that is easily recouped. As an example, woodworking communities comprise individuals who create items from wood. Within these communities, woodworking experts will emerge and lead educational meetings. Salespeople representing companies that manufacture woodworking products will partner with these experts, sponsoring meetings in an attempt to build relationships with all attendees.

Noncompeting Salespeople

One of the things new salespeople quickly realize is that there is a bond among salespeople, particularly those who do not compete in the same category directly against one another. *Noncompeting salespeople* can be a valuable resource through which leads are generated. Typically, this occurs when the noncompeting salesperson is selling to the same *types* of customers, but to customers who are not currently purchasing in the category sold by the salesperson seeking the lead. In these instances, there is an expectation that this favor will be returned—that the salesperson seeking the lead will extend the same courtesy when the roles are reversed.

Marketing

Many of the lead-generation methods discussed in this chapter are also performed by marketing personnel. Historically, however, there has been friction between the two functions as it relates to this activity.[6,7] Marketers can grow frustrated over the fact that the sales force does not act on the leads they provide. Similarly, salespeople can become frustrated over what they perceive to be a lack of quality leads. Because of this, salespeople are often slow to act on the leads their marketing counterparts provide.

It is important that the marketing and sales functions work together to better understand lead-generation issues and the factors contributing to these issues. For instance, if salespeople find that a very low percentage of leads generated by marketing are being converted into customers, the two sides need to talk so as to identify problematic patterns leading to the low conversion rate.

In some larger companies, both the chief marketing officer (CMO) and chief sales officer (CSO) report to a chief revenue officer (CRO). The CRO has the task of driving company revenues while also ensuring coordinated efforts across the two functions. While this is happening at the higher levels of the organization, salespeople should understand that marketers can be a valuable source of leads in the prospecting process.

connect Assignment 2-2

Lead-Generation Methods

Please complete the Connect exercise for Chapter 2 that focuses on lead-generation methods. By better understanding how to generate leads, salespeople will be better prepared to begin the prospecting process and ultimately close more sales.

LO 2-5

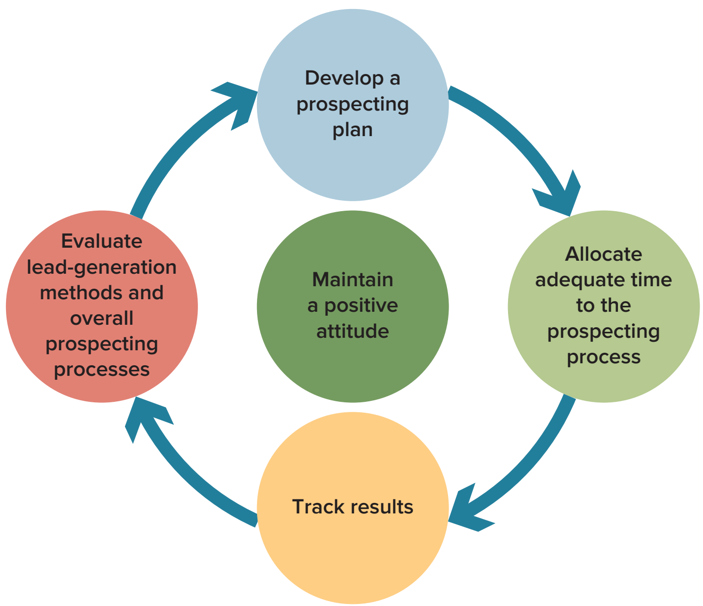
Explain the activities involved in formulating a prospecting strategy.

FORMULATING A PROSPECTING STRATEGY

Although it is important for salespeople to understand different lead-generation methods, it is perhaps even more important to develop an overall prospecting strategy. We talk about such a strategy in the following discussion, highlighting key issues that salespeople should be mindful of in their prospecting efforts. Consistent with Figure 2-6, we focus on four strategic imperatives that salespeople should address in sequence:

1. Develop a prospecting plan.
2. Allocate adequate time to the prospecting process.
3. Track results.
4. Evaluate lead-generation methods and overall prospecting processes.

FIGURE 2-6 A Prospecting Strategy



We also discuss the importance of salespeople maintaining a positive attitude as they prospect for new customers.

Develop a Prospecting Plan

We've said that planning plays a critical role in determining success on sales calls. In addition, salespeople also need to develop a *prospecting plan* for their overall sales territory or, in the case of a key or strategic account manager (KAM or SAM), key customer. Part of this plan should be a strategy for developing new business through prospecting. Any prospecting plan should address questions such as:

- What percentage of my existing customer base might I lose through attrition?
- What percentage of business do I anticipate earning through new customers in the planning period?
- On which prospects do I anticipate focusing my efforts?
- What resources do I need to transition these prospects into customers?
- What tactics will I employ to ensure that this happens?

The Power of Prospecting

From there, the salesperson should review the prospecting plan with his or her manager so that both agree on it. Equally important, the salesperson must regularly revisit the prospecting plan to ensure that he or she is taking the necessary steps required for success. A good sales manager will also hold the salesperson accountable to the plan and ask for periodic updates on it. In the absence of a prospecting plan, it is unlikely that the salesperson will do what is required to acquire new business.

Allocate Time

Converting accounts from the competition or working with them as they make the decision to invest in a new product category can be an arduous and time-consuming process. One of the challenges with prospecting is that salespeople are often hesitant to allocate adequate time to prospecting. As they set an overall prospecting strategy, salespeople must therefore decide how much time to spend seeking out new business.

As an example, a salesperson managing a territory may decide to spend one day per week handling paperwork, three days per week servicing and growing existing customers, and one day per week prospecting for new business. With this decision, the salesperson is planning to allocate 20 percent of the time to prospecting. The salesperson and sales manager could then discuss the adequacy of this time allocation against the amount of new business the salesperson needs to generate.

Track Results

"How am I doing?" Salespeople need to know, via a results-tracking system, how they are doing numerically in meeting their prospecting goals. They then can focus on the most efficient methods and make better use of the time allocated to prospecting. Fortunately, technologies such as customer relationship management (CRM) software provide salespeople a means through which this can now be done in a timely manner.

Evaluate Lead-Generation Methods and Prospecting Processes

Salespeople who track their prospecting results can evaluate the different lead-generation methods they employ and their overall prospecting processes. Just as salespeople seek to identify the most effective and efficient lead-generation methods, they also look to refine their overall prospecting process. That is, through repetition, salespeople will seek to master an overall process for interacting with potential new customers. As an example, salespeople may have a script they use when cold-calling. By evaluating various cold-calling scripts, a salesperson can work toward developing a script that has the most impact when reaching out to prospects.

Maintain a Positive Attitude

Maintaining a positive attitude throughout the prospecting process is crucial (as highlighted by its position in the middle of Figure 2-6). As noted at the beginning of this chapter, prospecting is one of the more challenging activities salespeople perform. Rejection rates when prospecting are high, even for experienced salespeople. Yet prospecting is a necessary part of the job, and those who maintain a positive attitude not only make the job more enjoyable but also enhance the likelihood of prospecting success. As so many in sales will attest, your attitude toward a job plays a critical role in determining how well you will perform in that job.

LO 2-6

Explain the importance of salesperson ethics in prospecting for new customers.

ETHICS IN PROSPECTING

Ethical salesperson behavior is prerequisite for the development of any customer relationship, including throughout the prospecting process. Even the slightest hint of unethical behavior will undermine any prospecting activities; customers will not willingly enter into a relationship with someone they believe to be of questionable ethical character. Salespeople should focus on four key ethical standards when prospecting.

First, as the initial step in the lead-qualification process, salespeople must be honest in their assessment of whether a need truly exists. If there is no need, the process must stop. Attempting to sell a product or service to a customer when there is no need is unethical. There can be no gray area on this. A salesperson should never manufacture a need to gain a customer.

Second, when initially interacting with prospects, salespeople must be factual in their communications. When first meeting a new salesperson, it is difficult for the prospect to know whether the salesperson and organization he or she represents can deliver on the promises the salesperson makes. Uncertainty is high. Because of this, salespeople should avoid setting unrealistic expectations when communicating with prospects. Seasoned salespeople will tell you that honesty is always the best policy, particularly when first communicating with a potential customer.

Third, salespeople should be factual when providing information about the competition. Often, when salespeople are attempting to convert a prospect from a competitor, the customer will ask questions or make comments about the competitor. While it may be tempting to disparage the competition, salespeople should tread lightly. As is the case when describing what their firm can provide, salespeople should be factual in sharing information about the competition. If the prospect were to find that the salesperson fabricated competitive information in an attempt to win the business, the prospect would likely, in the future, question the integrity of the salesperson.

Fourth, salespeople must be careful to manage the integrity of the referral process when prospecting. When an existing customer provides a referral, he or she assumes that the salesperson will use the referral as intended. For instance, if a customer willingly provides a referral for a prospect, the referral should be used only with that prospect and not with others. Moreover, if the customer makes specific comments in support of the referral (for example, "Joe said that he thought you might benefit from our products or services as well, based on . . ."), the referral should be limited only to what the customer said. To embellish these comments or use a referral on additional prospects beyond those intended by the referring customer is unethical; it represents a breach of trust.

Darrious Duffin

Sales Operations Analyst

Ritter Communications

Darrious Duffin

Describe your job. I'm a sales operations analyst at Ritter Communications, a communications provider that offers business, residential, and wholesale customers internet, phone, video, and cloud services. My main responsibility is to provide our executive team with information to help them make data-driven decisions that increase sales and improve efficiency. I partner with our sales leadership to create and implement strategies that generate new sales leads, close more deals, shorten the sales cycle, and grow the overall enterprise sales channel. I inform and advise management on current business trends, risks, and opportunities.

Describe how you got your job. During my senior year in college, I had an internship with Ritter Communications. Through my internship, I was part of a sales-strategy team that bid on two multi-million-dollar opportunities to provide data service. Although I wasn't the one who closed the deal, the team recognized me as a young, eager, and driven student whose talents and personality aligned with the needs of the company. Five years later, I have been afforded the opportunity to learn and grow my skill set in a variety of ways. I'm happy to still call Ritter Communications home.

What has been most important in making you successful at your job? I've benefited from several opportunities to grow my business acumen and put my education to work, but my people skills have also been vital to my success. We are an extremely team-oriented company. I try to be open to new ideas and learn from others. I work very closely with people who identify the same goals and finish line but have different ideas on how to get there. I have the ability to adapt to new situations and find common ground with people to achieve an objective.

What advice would you give future graduates about a career in sales? Don't focus on finding the perfect job. Pay, location, and job responsibilities are unlikely to be glamorous at first. Focus on landing a sales job with a company that will allow you to test your abilities, expose you to all parts of the business, and most important, make mistakes. With humility, realize you must start at the bottom and will hear a lot of no's that first year. Your first professional sales opportunity will springboard you into many other ones if you are doing the right things. My biggest advice would be: don't get discouraged—you are likely to find an exciting and rewarding career in sales if that is where your passion is.

What is the most important characteristic of a great salesperson? I think great salespeople help leaders understand problems and possible routes to be successful in a positive and honest way. While I'm invested in my own career, the success of those I work with is even more important than that of my own. I was trained to be service minded, and I try to provide information and options to my clients. I've worked to develop winning strategies that benefit employees and customers, and I was raised to be humble and never forget where I came from. I'm very team oriented, and I want those around me to enjoy working with me. I think focusing on client problems and being someone others want to work with has helped me to be respected. I want to be a great salesperson who consistently uses my talent, experiences, and the lessons I have learned to make a difference in the lives of others.

CHAPTER SUMMARY

LO 2-1 Describe the importance of prospecting, the challenges associated with prospecting, and why many salespeople are hesitant to prospect.

Prospecting is the lifeblood of the organization; it provides a continuous flow of new customers and new business opportunities. Without the customer, there is no need for the organization. Salespeople must prospect on a regular basis to offset customer attrition.

That said, prospecting is one of the more challenging tasks of salespeople. Buyers are often resistant when approached by salespeople they do not currently purchase from. The rejection rates typically experienced when prospecting can be quite high. Because of this, many salespeople are hesitant to prospect. They view prospecting as an inefficient activity in relation to those activities that are focused on retaining current customers and may even avoid prospecting due to a fear of rejection.

LO 2-2 Contrast the hunting and farming sales orientations, and explain the role inside sales can play in prospecting.

There has been a growing realization that salespeople should focus on those activities they are most proficient at to enhance organizational effectiveness and efficiency. The hunting and farming sales orientations capture this: Salespeople who have a *hunting* orientation excel at identifying and engaging new business; those salespeople who have a *farming* orientation are more adept at managing existing relationships.

Many firms are acting on information about salespersons' individual strengths by developing both inside and outside sales forces. Inside salespeople interact with the customer only remotely, through phone, email, text, social media, the internet, or some other form of remote technology. Often, inside salespeople handle the initial steps contained within the prospecting process, eventually handing a qualified prospect off to an outside salesperson. Inside salespeople, who often are new hires, may also be referred to as sales-development representatives.

LO 2-3 List the steps in the prospecting process and the necessary requirements for a lead to be qualified as a prospect.

The prospecting process should be thought of as a funnel consisting of the following steps: (1) lead generation, (2) lead prioritization, (3) lead qualification, (4) prospect prioritization, and (5) sales-call planning. The number of leads and/or prospects dwindles as salespeople successively move through each step.

The lead-qualification process is perhaps the most important step in the prospecting process; it differentiates leads from prospects and ensures that salespeople maximize their prospecting efficiency by focusing on the right customers. For a lead to be qualified as a prospect, salespeople must be able to determine that the lead has: a need for the product or service; the authority to purchase; the ability to purchase; the potential needed to justify an organizational investment; and a buying approach that aligns with the company's selling approach.

LO 2-4 List common lead-generation methods.

Because the prospecting process begins with lead generation, salespeople need to understand the different lead-generation methods. Popular lead-generation methods are virtual networking, traditional networking, referrals, trade shows, cold-calling, websites, sales directories, centers of influence, noncompeting salespeople, and marketing.

Of these, virtual networking has exploded in popularity in recent years due to the rise in use of social media. Further, the marketing department often assumes the responsibility of generating sales leads through use of one or more of the methods presented in the chapter. There is a need for marketing and sales to have a strong relationship within the organization and for salespeople to act on the leads their marketing counterparts provide them.

LO 2-5 Explain the activities involved in formulating a prospecting strategy.

Prospecting success requires a strategy. There are four key activities when formulating an overall prospecting strategy: (1) develop a prospecting plan; (2) allocate adequate time to prospecting; (3) track the results; and (4) evaluate the effectiveness and efficiency of the different prospecting activities. Finally, and critically, salespeople must also work to maintain a positive attitude as they prospect for new business, given the challenges prospecting can present.

LO 2-6 Explain the importance of salesperson ethics in prospecting for new customers.

Ethical salesperson behavior is prerequisite for the development of any customer relationship, including during the prospecting process. If prospects have any questions regarding the ethics of a salesperson in their initial interactions with the salesperson, they will not willingly enter into a relationship with the salesperson. When prospecting, ethical salespeople will only: (1) Attempt to sell their product or service if a need truly exists. (2) Be factual in their communications regarding what the salesperson and selling firm can provide. (3) Be factual in their communications related to the competition. (4) Use referrals in the manner intended by the referring customers.

KEY TERMS

prospecting (p. 24)
quota (p. 24)
opportunity costs (p. 25)
call reluctance (p. 26)
hunting orientation (p. 27)
farming orientation (p. 27)
inside salespeople (p. 27)
sales-development representatives (p. 28)
lead (p. 30)
inbound leads (p. 30)
outbound leads (p. 30)
hot lead (p. 30)
cold lead (p. 30)
lead qualification (p. 30)
prospect (p. 30)
prospect prioritization (p. 32)
ideal customer profile (p. 32)
networking (p. 34)
virtual networking (p. 34)
social selling (p. 35)
traditional networking (p. 35)
referral (p. 35)
trade shows (p. 36)
cold-call (p. 36)
sales directories (p. 37)
center of influence (p. 37)

DISCUSSION QUESTIONS

1. Prospecting can be a challenging activity in sales because of the high rejection rates salespeople experience when prospecting. Think of instances when you have experienced rejection in your life. How were you able to overcome this rejection? How might the lessons you learned through these experiences benefit you if dealing with rejection in a sales role?
2. We differentiate the hunting and farming orientations in the chapter. Considering how these orientations were described, do you think that you have more of a hunting orientation or a farming orientation? Why do you feel this way? What specific characteristics do you possess that would cause your thinking on this issue?
3. If you were to begin a career in sales following graduation, what benefits would you see in starting in an inside sales position? How might experiences gained in this position benefit you in the future?
4. Think about some of the things you are currently doing to build your network via social media. Might you be able to do some of these same things if you were attempting to build a virtual network in a sales role? Which virtual-networking activities can be applied in both your personal and professional life? Conversely, are there some things you do when building your personal network via social media that should be avoided when building a professional network? If so, why?

ETHICAL CHALLENGE

Although not as popular as it once was as a lead-generation method, many firms still use cold-calling when prospecting for new customers. While some business customers are accepting of unsolicited sales calls, such calls are a source of immense frustration for consumers. Because of this, the Federal Trade Commission (FTC) amended the Telemarketing Sales Rule (TSR) in 2003 and created a Do Not Call Registry.[8] Although that registry now includes nearly 230 million telephone numbers,[9] illegal robocalls remain a problem. They constantly disturb consumers' privacy and are frequently used to deceive and defraud consumers.[10] In fact, in 2017 alone, the FTC received more than 4.5 million robocall complaints.[11]

Alliance Security (www.alliancesecurity.com) has been a particularly egregious perpetrator. The company, which installs home-security systems, cold-calls when prospecting for customers of the systems and associated monitoring services. The FTC recently filed a complaint alleging that since 2014 Alliance has made or helped others make at least two million cold-calls that violate the TSR, including more than a million calls to numbers on the Do Not Call Registry.[12] Some consumers were reportedly so frustrated by the volume of calls that they scheduled an installation just to plead in person for the calls to stop.[13]

Questions

1. Clearly, the decision by Alliance and its leadership team to prospect in this manner represents a serious ethical breach. That cannot be debated. Why, though, would Alliance do this? What do you think would cause a company to act so egregiously?
2. How does it make you feel about the company? How would you react if a company were treating you in that manner? Would you ever purchase from the company?

ROLE PLAY

While role plays are critical in helping you develop your sales skills, understand that simply having someone assigned to you as a customer in a role play is not realistic. Instead, in real life, you will prospect in order to find customers. This is often the greatest challenge salespeople face. Indeed, the success rates most achieve when prospecting are much lower than the success rates typically seen on actual sales calls.

This role play exercise will give you an opportunity to practice cold-calling skills. For the role play, you will be able to set the scenario. You should select the company that you are representing and the company and individual you are cold-calling. The class should be divided into teams of three. Each student within each team should first develop a cold-calling script that he or she will use during the role play. Your script should:

1. Identify the salesperson and the selling firm.
2. Establish initial rapport.
3. Provide a value statement to motivate interest.
4. Be customer-oriented.
5. Respectfully request action on the part of the prospect.

An example of a script is shown below. Numbers correlating with each of the criterion listed above indicate where that criterion is met.

SAMPLE PROSPECTING SCRIPT

Hi [Prospect Name], my name is [Seller Name]. I am a local representative with the [Seller Company] ***[1]****. How are you today?* ***[2]***

Great, I was referred to you by John Doe at the XYZ Corporation. John and I have been working together for a number of years, and he suggested you as someone who might benefit from the types of products and services we provide ***[3]****. Do you have a few moments to spare?*

Thanks. I know you are busy so I will be sure to respect your time.

First, rest assured that my intent in this conversation is not to sell you anything. What I would like to do, with your permission, is set up a meeting to see if there might be some level of fit between our companies, and to see if we might be able to help you address some of the issues you face ***[4]****. For example, John has told me time and again that one of his goals as a retail buyer is to increase sales, and over the past two years we have generated approximately two million dollars in additional sales at his account* ***[3]****. Again, however, my goal for this meeting would simply be to determine whether a fit exists between our companies. I will not attempt to sell you anything. Such meetings usually last 30 minutes. Might there be a time that works well for you?* ***[5]***

For each of the role plays, one student acts as the seller, another acts as the prospect, and the third critiques both the script and the quality with which it was delivered. Students should exchange roles for each successive role play.

SALES PRESENTATION

For the Connect assignment in Chapter 2, students will get practice prospecting for companies who might purchase a product or service they currently use.

First, think of a product or service you use on a regular basis. Next, use one of the lead-generation methods presented in the chapter to develop a list of at least five companies that would potentially benefit from the product or service. Most of you will probably use social media or the web to generate the list.

You should be prepared to discuss exactly how you conducted your research and what organizational characteristics were important in leads being included on your list.

CAREER **TIPS**

John Hansen

John Hansen
Marketing Professor
University of Alabama—Birmingham

How Much Prospecting Will I Do?

Although you may not know it yet, many of you will accept jobs in sales following graduation. While the goal is to have multiple job offers from which you can choose, deciding between sales jobs can be difficult. There are many factors to consider, including one that is the focus of this chapter—the amount of prospecting that will be required.

Most outside sales roles require territory management, where the salesperson manages customer relationships within a given geographic territory. When examining job opportunities, it is important you know how much prospecting is going to be required in a territory. In some instances, a territory will have a strong "book of business"—an existing set of established customer relationships. In other cases, there may be very few existing relationships within the territory. Obviously, if you acquire a territory where this is the case, you are going to have to prospect for new business in order to grow the territory. Although you will likely have prospecting goals in an established territory as well, you are likely to spend more time managing relationships that have previously been established.

Is one type of territory better than the other? Not necessarily, although most graduates would prefer to step into a situation in which they are working with existing customers. That said, and as was discussed in the chapter, the key lies in knowing who you are: What do you excel at? What do you need to improve upon? If you excel at activities that require a farming orientation, you would be better served in a territory that has an established book of business. Conversely, if you exhibit characteristics that align with a hunting orientation, you may excel in a territory that requires a great deal of prospecting.

Because this is an important decision, you should also talk with your professors, as they will able to provide additional insight based on their knowledge of the hiring company.

CHAPTER ENDNOTES

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Design elements: Marketing Insights Podcast: vandame/Shutterstock

Chapter **5**

Sales-Presentation Strategies

Learning Objectives

After reading this chapter, you should be able to:

LO 5-1 Describe the three main types of sales presentations.

LO 5-2 List activities that are useful in preparing effective sales presentations.

LO 5-3 List reasons for sales-presentation failure and strategies to prevent such failures.

LO 5-4 Describe the importance of nonverbal behaviors in sales presentations.

LO 5-5 Name elements of effective virtual and team-sales presentations.

LO 5-6 Describe the impact of storytelling on sales presentations.

Executive **Perspective** . . . because everyone is a salesperson

Lance Gooch

Lance Gooch
Contractor Sales Representative
84 Lumber

Describe your job.

I am a contractor salesman for 84 Lumber Company, a building-materials supply company that owns and operates over 250 stores throughout 30 states. In most types of sales jobs, there are two types of positions—specialists and generalists. Specialists focus primarily on limited products or markets. For example, a specialist in my industry might sell one specific building product to residential builders only. Generalists sell a wide array of products to a wide array of markets. I'm a generalist: I sell framing materials, windows, doors, and interior trim materials to residential, multi-family, and commercial contractors. I sell multiple brands within each of those categories and products.

With such a wide variety of products, it is vital that I have product knowledge on each one, to stay ahead of my competition. Though I sell to all types of contractors, the bulk of my business is framing materials for residential home builders. Using their sets of house plans, I determine the type and quantity of lumber and materials needed to build the house.

How did you get your job?

In my previous job I worked as a manufacturer's representative (a specialist) for a weatherization company. In that job, I was selling to the largest residential home builder in my market. The key decision makers for this builder told me that their lumber salesman was looking to retire, and they asked if I wanted to make a change to supplying their framing materials. They said the traits they want in their lumber salesmen were the traits they saw in me. The rewards and opportunity of this new job were more than I could dream of. While I truly hated the thought of leaving the manufacturer that was so good to me, it was a no-brainer to switch to this job in lumber.

What has been most important in making you successful at your job?

As a generalist, I have to do multiple things: provide excellent service, know my products thoroughly, understand and analyze prices to maximize revenue for my company while also being the most competitive to the builder, and keep strong relationships. Overall, to do those things, I wake up each day with the mindset of "how can I earn your business?" for each existing customer. Everyone knows the Golden Rule: "Treat others as you would want to be treated." For me to be successful in sales, I believe in a salesperson's Golden Rule: "Treat customers as *they* would want to be treated."

What advice would you give future graduates about a career in sales?

As a salesperson, always remember that "perception is reality" to your customers. To get that customer, stay persistent, professional, and be a solution to the current obstacles they're facing. There is always going to be a "buy time" for your customer. Just because the customer said "no" doesn't mean there isn't a future moment when he or she will say "yes." Once you have that customer, if you show you are honest, hard-working, responsive, and ultimately their partner, it is going to be hard to lose that customer.

Also, no matter how successful you are in sales, be that much more successful in your personal life. Never get so caught up in work that you miss out on creating memories with your family and loved ones. Find a job that makes you happy, with a work-life balance. You will one day retire from your career, but you will never retire from being a great spouse, parent, and friend.

What is the most important characteristic of a great salesperson?

A stellar reputation in your industry is important. Salespeople who display drive and professionalism, who do what they say they're going to do, who help their customers grow their business, and who show no complacency will eventually get talked about in the industry. The most rewarding sales I make come not from cold-calling a company, but come when a company calls *me* looking to do business because of what they've heard about me. At that point, the sky is the limit.

What advice do you have about making sales presentations and visiting with individual customers?

I would encourage everyone to really understand each customer individually. One customer might like a good price and to be taken out to dinner from time to time. Another customer might expect great service and your ability to answer any question about the products you are selling. I take pride in understanding my customer and in understanding what I need to do, specific to them, in order to fit into their success.

LO 5-1

Describe the three main types of sales presentations.

TYPES OF SALES PRESENTATIONS

sales presentation
The delivery of product information relevant to solving the customer's needs.

The **sales presentation** is the delivery of product information relevant to solving the customer's needs. As the "main body" of the sales call,[1] it can be the most challenging, rewarding, and enjoyable aspect of the buyer-seller interaction. The sales presentation with a prospective buyer is a crucial stage of the selling process.

Sales presentations can be formal or informal, in front of a single buyer or an entire company. They can take place in a board room, a lumber yard, or just about any place you can imagine. Regardless of the setting, salespeople who are prepared and who select the most appropriate type of sales presentation can increase their likelihood of closing the sale.

persuasion
A communication process by which you motivate someone else to voluntarily do something you would like them to do.

Developing a sales-presentation strategy begins with choosing one of the three main types of sales presentations: *memorized, formula,* and *need-satisfaction* presentations. It is important for salespeople to consider which type of presentation will be most persuasive to their customers. **Persuasion** is a communication process by which you motivate someone else to voluntarily do something you would like them to do. Each of the three types of presentations provides different advantages and disadvantages and can be appropriate for different products, industries, and salespeople with different levels of experience. The biggest difference among the three methods is the percentage of conversation controlled by the salesperson.

memorized sales presentation
Sales presentation in which the salesperson presents the same selling points in the same order to all customers; typically involves the salesperson talking 90 percent of the time and listening around 10 percent.

Memorized Sales Presentations

In a **memorized sales presentation**, the salesperson presents the same selling points in the same order to all customers. This type of presentation ensures that salespeople will provide complete and accurate information about their product or service. A memorized sales presentation typically involves the salesperson talking 90 percent of the time and listening only around 10 percent.

simonkr/Getty Images

A memorized sales presentation is often beneficial for new salespeople. It helps them speak intelligently about different products and gives them confidence. Pharmaceutical salespeople often use this technique because they can deliver accurate technical information to doctors in a short period of time. This type of presentation is also used in telemarketing and direct sales.

However, the effectiveness of the standard memorized presentation is limited. It offers no opportunity for the salesperson to tailor the presentation to the needs of specific customers. In addition, some buyers view a memorized sales presentation as amateurish, since the salesperson is not focused on providing a customized solution for the buyer's organization. Also, it is difficult to persuade customers who have complex buying needs without a greater percentage of the presentation being dedicated to listening to their specific problems.

formula sales presentation
Sales presentation in which the salesperson follows a somewhat less structured, prepared outline, allowing more flexibility and opportunity to gather customer feedback; typically involves the salesperson talking 60–70 percent of the time and listening 30–40 percent.

Formula Sales Presentations

The formula sales presentation begins to shift the focus more to the customer. In a **formula sales presentation**, the salesperson follows a somewhat less structured, prepared outline, allowing more flexibility and opportunity to gather customer feedback. It still focuses on the product, but it encourages the customer—through questions, trial closes, and objections—to become more involved in the presentation. The talk/listen ratio changes to more listening (30 to 40 percent of the time) and less talking (60 to 70 percent of the time).

Formula sales presentations are based on the simple acronym *AIDA,* which sums up the buying process: The salesperson must get the customer's *attention*, create *interest* in the product, develop a strong *desire* for the product, and move the customer to *action* (to buying the product). The salesperson controls conversation during the presentation, especially at the beginning. Formula presentations allow for the smooth handling of anticipated questions and objections from the customer, which increases customer involvement.

Formula sales presentations are ideal for a variety of organizations and brands. For example, Procter and Gamble might encourage the use of formula presentations by its salespeople. The object for consumer-products salespeople is often to persuade customers to carry more of an existing product, such as more sizes of Crest toothpaste or greater inventories of Bounty paper towels. A highly structured formula presentation, which hits specific selling points in a predetermined order while still soliciting customer feedback, can be very effective. The key to the success of the formula strategy is customer knowledge, since the presentation itself is relatively inflexible.

What are the disadvantages of the formula sales presentation? The first is that the structured outline might not be effective if the salesperson does not know the prospect's needs. Salespeople might need the customer to talk a majority of the time in order to better understand the prospective buyer's needs. In addition, the formula sales presentation is often not ideal when dealing with a complex selling situation such as selling a technical product or selling to a large group.

Need-Satisfaction Sales Presentations

In a **need-satisfaction sales presentation**, the salesperson first probes into the needs—both stated (expressed) and unstated (latent)—of the prospective buyer. The salesperson then gives a sales presentation that shows how the product will satisfy the customer's needs. Over 60 percent of a need-satisfaction presentation is dedicated to listening to the customer to learn more about their specific problems.

need-satisfaction sales presentation

Sales presentation in which the salesperson first probes into the needs, both stated (expressed) and unstated (latent), of the prospective buyer; typically, over 60 percent of the presentation involves listening to the customer to learn about their specific problems.

The need-satisfaction presentation allows a salesperson to develop a customized solution for the buyer. Think about a few positive sales experiences you have had as a customer; it is likely that one or more of those involved a salesperson asking questions and helping find the best product for your need at that time. Or, in a B2B setting, a salesperson visits a major financial company. In conversation, it emerges that the company has not changed its market segments for some time, mostly because it has been focused on short-term operational issues. In the presentation, the salesperson shows data on a competing firm that has used a new strategy to eat away at this company's customer base. When the customer starts getting worried, the salesperson talks about the need for more specific market details and rapid analysis. When the customer asks how this can be achieved, the salesperson introduces the CRM system he or she is selling.

The more interactive nature of a need-satisfaction presentation can be intimidating for a new salesperson. Less-experienced salespeople are often nervous in this type of presentation, knowing they will need to listen carefully and then quickly craft a response using what they've just learned. Training and experience can help salespeople feel more comfortable giving up control of a majority of the presentation.

Each of these sales-presentation methods can be very successful. It's also true that each can fail miserably. The decision as to which sales-presentation method to use should always be focused on (1) the strengths and weaknesses of the salesperson presenting, (2) the preferences of the potential buyer, and (3) the specifics of the product being sold. Salespeople should think through each of these variables. Each time, you should be able to explain the decision to yourself, a colleague, or a manager as to why you chose a specific presentation method for a specific customer.

connect Connect Assignment 5-1

Sales Presentations

Please complete the Connect exercise for Chapter 5 that focuses on types of sales presentations. Deciding which type of presentation is best suited for different types of potential buyers will help you customize your sales strategy to maximize success.

LO 5-2

List activities that are useful in preparing effective sales presentations.

PREPARING THE SALES PRESENTATION

customer-value proposition

A statement of how the sales offering will add value for the buyer and/or the buyer's organization.

Regardless of sales-presentation type chosen, salespeople must actively prepare in order to achieve an effective presentation. Where do you start? A logical first step is to develop a **customer-value proposition,** which is a statement of how the sales offering will add value for the buyer and/or the buyer's organization. For example, a retail salesperson visiting with a customer about purchasing a new iPhone has to persuade the customer of the value of the product relative to other smart phones *and* the value compared to the older iPhone the customer currently uses. The salesperson is trained to present many aspects of customer value: the value proposition in the design of the new device, the ease of use that has been a cornerstone of Apple's success, the better camera (which might be especially important to a customer who has children or is active on social media), and the aspirational qualities that a new iPhone offers. For long-term success in relationship selling, it is essential to properly define the customer value of your company's products during the limited time of a sales presentation.

With the customer-value proposition in mind, the salesperson can begin to prepare a sales presentation. Salespeople use a variety of activities to improve the quality of a sales presentation: identify the customer problem, plan what you want the customer to remember, consider a product demonstration, provide slick data, and practice through role play.

36clicks/123RF

Identify the Customer Problem

At the heart of modern selling is the ability to come up with solutions to problems for customers that provide benefits for the customers or their organization. So, an activity essential to preparing an effective presentation is to clearly identify the problem you are seeking to solve for the customer. Being able to state the problem is almost as crucial as knowing what destination to type into digital mapping software.

features

Factual statements about the characteristics of a product.

benefits

The added value that a feature provides for the customer.

Most sales presentations, at some point, cover features and benefits. **Features** are factual statements about the characteristics of a product, such as how many pages a machine can print in a minute or the how long the battery life of a cell phone is. **Benefits** are the added value that a feature provides for the customer.

When preparing a sales presentation, it is important to think through how the product will benefit someone else's business or life. New salespeople, especially, spend so much time talking about product features that they fail to draw a connection to the benefit of solving the customer's problem. For example, imagine you are selling a local lawn care service. The sales presentation might take place in a short conversation on a homeowner's front porch. To address the benefit your service would provide, you would want to mention the homeowner's problem of needing their lawn taken care of while providing the benefit of saving a couple of hours per week for the homeowner to spend more time with family or pursue other interests.

Too often, even experienced professionals start a sales presentation by talking about the solution they are offering rather than the problem they are solving. If salespeople are presenting to outsiders, or even high-level leaders inside their own company, they might not have been closely following the development process of a specific project. If salespeople don't explain the context and why it matters upfront—that is, the problem and benefits the sale will deliver—they risk buyers tuning out early on because they are not sure if the salesperson's idea is relevant.

Plan What You Want the Customer to Remember

Great presentations are memorable. When preparing a sales presentation, spend time thinking about what you want the customer to remember. Focusing on key words, phrases, or images during the presentation can be critical to the customer remembering the information after the presentation. Customers will use these memories as they make purchase decisions.

Being memorable does not have to be saying something funny or wearing something outlandish. Presenting product information that solves a specific customer problem and helps the business be more successful is likely to be something remembered long after the meeting has ended. If you intentionally plan for a memorable takeaway message, you are more likely to make it happen.

Consider a Product Demonstration

A **product demonstration** shows the customer how the product works; it is one of your best sales tools if you have a high-quality product. A product demonstration helps get a prospect interested and excited about the proposed solution. It is also an effective way to address the prospect's specific product-related concerns. Research suggests that over 50 percent of potential buyers want to see how the product works during the first sales call.[2]

product demonstration
Sales presentation that shows the customer how the product works.

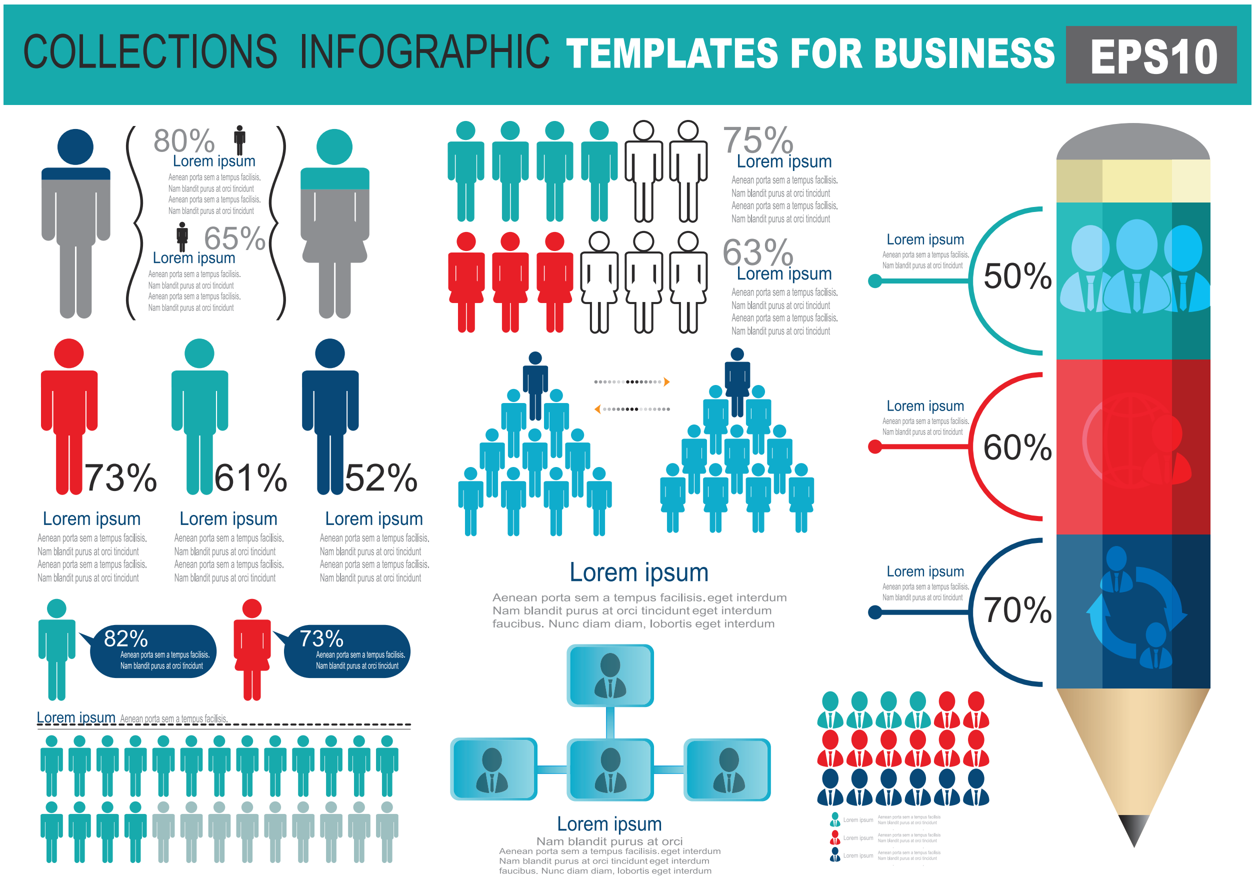
The most important thing to remember if using a demonstration is this: You must be certain the demonstration will work. Few things can ruin a sales presentation faster than a failed demonstration. For example, if you are showing how a new car feature will supposedly make life easier for a buyer only to have that demonstration fail, the customer will wonder if the salesperson is competent and if the car is best for them. If you are going to do a demonstration, be sure to practice it multiple times.

Provide "Slick" Data

A previous chapter discussed the need for salespeople to have technological knowledge. When planning your sales presentation, think about how to put that knowledge to work using "slick," cutting-edge data-visualization techniques. **Data visualization** is the presentation of data in a graphical format using visual elements like charts, graphs, timelines, and maps. Such elements add interest to a presentation; they replace data in boring tables or basic charts that a customer tunes out. Potential buyers need

data visualization
The presentation of data in a graphical format using visual elements like charts, graphs, timelines, and maps.

FIGURE 5-1 Data Visualization of Customer Complaints



Crystal-K/Shutterstock

to have a good grasp of the data in order to make purchasing decisions. If the salesperson can transform data into a super clear picture for customers, they can quickly see how value is being added. What's needed is data presented in a form that captures the scope and urgency of the buying decision. Figure 5-1 shows an example of data visualization used during a sales presentation. Great data visualization might even be part of the memorable takeaway discussed earlier.

If your data visualization skills aren't all you want them to be, don't hesitate to consult others in your selling organization for a bit of help. You might even consider taking a course at a local community college or other school to help develop those skills.

Practice Through Role Play

role play

Acting out conversations, attitudes, and actions, in a make-believe situation, in an effort to understand a differing point of view.

As you know from earlier chapters, **role play** involves acting out conversations, attitudes, and actions, in a make-believe situation, in an effort to understand a differing point of view. Role play can be a very effective activity in preparing a sales presentation. In role play, a salesperson can:

- Practice a sales pitch with a trusted colleague and ask for feedback on ways to improve the presentation.
- Develop the best wording to use during a sales call. Top-performing salespeople are up to ten times likelier to use collaborative words and phrases than are

low-performing salespeople. Role play can help you practice using words like "we," "us," "our," and "together" (instead of "you," "I," "me," and "your") to win over prospective buyers.

- Practice a response to potential objections of the buyer.

Through role play, you can gain confidence in your sales presentation, enabling you to decrease uncomfortable or tense body language and increase a feeling of calm.

None of these activities guarantees that a sales presentation will be a success. However, salespeople who do not use activities like these to prepare their presentations greatly reduce their likelihood of closing the sale.

WHY SALES PRESENTATIONS FAIL

LO 5-3

List reasons for sales-presentation failure and strategies to prevent such failures.

A bad sales presentation can greatly reduce the likelihood of closing a sale. Sales presentations can fail for almost limitless reasons, but there are a handful of common problems that salespeople should work hard to prevent.

Technical Problems

In today's connected world technical problems sometimes happen, and that's okay. What's not okay is when the problems could have been easily prevented with the right preparation. Don't waste a prospect's time fiddling with a cable or screen-sharing tool. Salespeople should run through all the technical aspects of their presentation well before the appointed time.

A salesperson should always have a backup plan in case the wi-fi does not work or a bulb in the projector burns out. Always have a hard copy of the presentation as a backup. Also, an increasing number of salespeople carry with them their own portable projectors. If handled well, technical problems can show potential customers your thoroughness and professionalism. That demonstration might ultimately get you closer to closing the deal.

Poor Presentation Skills

Another reason for presentation failure is poor presentation skills. For example, talking with your back to people is unprofessional and often viewed by the buyer as rude. This often happens when salespeople look back to read directly from their PowerPoint slides. Buyers can easily become frustrated if they think a salesperson is wasting their time simply reading the words on the screen, which they could have read on their own.

Sometimes the setup of the room in which the presentation takes place can hurt sales reps if they're not careful. Salespeople should be very intentional in avoiding this problem. For example, a sales presentation at a table with a U-shape can put your back to half the audience if you walk too far into the center during the presentation. Use the front of the room as much as possible, and move deliberately from side to side, turning slightly to face each buyer as you speak. Also, plan to be at the center of the table when delivering the most important points of the presentation.

Dotshock/123RF

Irrelevant Information

All potential customers value their time. Too much irrelevant information about your product, service, company, or yourself during the sales presentation can reduce the likelihood of success. For example, imagine you sell a low-cost cell phone. If you go into a long-winded pitch about your company, its financial data, and other details that are not of interest to someone wanting to make a simple purchase, you may lose the sale. Often, by talking too much and sharing irrelevant information, a salesperson can bore prospects so much that they decide not to buy.

Unethical Behaviors

When making a presentation, salespeople should understand the difference between persuasion and manipulation. While persuasion will be expected, manipulation will be perceived as offensive. The difference between persuasion and manipulation is often based on intent. "Good intentions" mean "in the prospect's best interest." Conversely, if the salesperson's intention is to maximize his or her own benefit—even at the expense of the prospect's, if need be—any persuasion effort will be perceived as manipulation.

Another common unethical behavior in sales presentations is not fully disclosing information. Customers do business based on what is outlined in the contract. If salespeople omit information when agreeing to contract terms, they can catch the buyer off guard and hurt their business, not to mention damage the long-term relationship. Knowingly withholding important information included in a contract with customers is shady.

AT&T was accused in 2018 of using unethical sales tactics when presenting to potential customers about using the DirecTV Now streaming service. The salespeople told customers during their presentation that they could try out DirecTV Now for a month without paying; the salespeople said they would cancel their trials before they turned into paid subscriptions. In some cases, the cancellations never happened, and people started paying $35 a month for the service without having agreed to become subscribers. AT&T ultimately fired at least six people over the unethical tactics. Former salespeople at the company said managers had encouraged unethical tactics in order to hit sales quotas.[3]

International and Intercultural Communication Challenges

International salespeople need to be able to communicate effectively in culturally diverse sales settings.[4] To succeed in international and intercultural interactions, sales professionals need to be highly competent in communication.[5] Research suggests that in international sales presentations, the most important communication skills are related to building and maintaining relationships, personal-selling skills during the sales process, and foreign-language skills.[6] In an increasingly global business environment, salespeople should seek training, practice, and advice in developing their communication skills to be more successful in different cultures.

While language and culture can be barriers to international sales, the complexities of selling in a global market reach far beyond correct translations. First, salespeople must do their research: It may be useful to compare one's own approach with those of other companies and sales teams that have been able to sell internationally with success. Much international sales aptitude involves being able to effectively share information across the company. Having a cloud-based customer relationship management (CRM) system that updates across global boundaries is essential. Accurate information on the global supply chain, sales pipeline, accounts, and shipments will decrease overhead. The CRM data will also provide information to make sales presentations more comprehensive and effective.

Salespeople should also work to develop their **intercultural communication competence,** which is the effectiveness of skills, attitudes, and traits for building successful cross-cultural interaction. Several skills are particularly beneficial for developing intercultural communication competence:

intercultural communication competence
The effectiveness of skills, attitudes, and traits for building successful cross-cultural interaction

- *Cultural awareness*. **Cultural awareness** involves the ability to stand back from ourselves and become aware of our cultural values, beliefs, and perceptions. Individuals with cultural awareness tend to be able to predict the effects of their behavior on others. They are more likely to modify their behavior after they learn something about other cultures.[7]
- *Cultural sensitivity*. **Cultural sensitivity** is the ability to understand the value of different cultures and be sensitive to the verbal and nonverbal cues of people from other cultures.[8] Individuals with high cultural sensitivity display values such as open-mindedness, high self-concept, nonjudgmental attitudes, and social relaxation. Salespeople will benefit from spending time researching and visiting with people from other cultures.
- *Cultural adroitness*. **Cultural adroitness** refers to an individual's ability to reach communication goals while interacting with people from other cultures. Individuals with high cultural adroitness quickly learn how to act effectively when in a new cultural environment. When salespeople know what to do and what not to do during a sales presentation, they will be able to communicate more effectively without offending any parties.[9]

cultural awareness
The ability to stand back from ourselves and become aware of our cultural values, beliefs, and perceptions.

cultural sensitivity
The ability to understand the value of different cultures and be sensitive to the verbal and nonverbal cues of people from other cultures.

cultural adroitness
The ability to reach communication goals while interacting with people from other cultures.

Despite the care that salespeople take to prevent problems that cause presentation failures, mistakes occur. Salespeople with virtually any amount of experience can share stories about mistakes they made and problems that arose during a presentation. For example, in Hong Kong, business people typically prefer sales presentations and proposals to begin in general terms before transitioning into the narrow details. A new global salesperson could have a presentation that is customized for a specific audience with lots of details at the beginning, but it could have been more effective and well received if he or she had begun with more general terms.

Regardless of the level of preparation, it is important to maintain composure and professionalism. If you say something that is potentially offensive or ethically questionable, correct that mistake immediately. If you can tell from the customer's body language that you might be sharing irrelevant information, shift back to the focus of the presentation as quickly as you can. Salespeople have a healthy fear of making a mistake during a presentation, but they should always be prepared to try to correct that mistake as quickly as possible. Understanding verbal and nonverbal cues in international sales presentations will improve the likelihood of presentation success.

connect Connect Assignment 5-2

Unethical Sales-Presentation Practices

Please complete the Connect exercise for Chapter 5 that focuses on avoiding unethical practices in sales presentations. Understanding the responsibility of making a sales presentation for an organization and common ethical mistakes will help you develop an ethical framework when dealing with potential customers.

LO 5-4

Describe the importance of nonverbal behaviors in sales presentations.

nonverbal communication

Behaviors such as eye contact, posture, and facial expressions by which people communicate in ways other than words.

NONVERBAL COMMUNICATION IN SALES PRESENTATIONS

Before we get too far from the topic of why sales presentations sometimes fail, we should briefly address the topic of nonverbal communication. **Nonverbal communication** encompasses the behaviors such as eye contact, posture, and facial expressions by which people communicate in ways other than words. Such behaviors, often referred to as *body language*, are very important in effective sales presentations. Salespeople should have an understanding of their ability to communicate—both positively and negatively—through body language. Let's look at a few nonverbal behaviors to master in a sales presentation.

Eye Contact

Eye contact can be a powerful tool when used correctly. The selling process is all about making connections, and eye contact is a big part of that. If you are having a conversation with a friend, for example, you probably face him or her directly and make regular eye contact. By making eye contact in a sales presentation, you are relating to your audience and increasing engagement with them in an effort to better get your message across.

It is important, however, not to overuse eye contact. Salespeople should not make potential buyers feel they are competing in a staring contest. If you make eye contact with a prospective buyer who quickly looks away, be cautious; some people feel uncomfortable with eye contact. In some cultures, direct eye contact is considered inappropriate.

Posture

The best posture for a sales presentation is typically to keep one's head up and hands open. A posture that is professional and relaxed can help prospective buyers feel more comfortable. Keeping your head level and angling toward prospective buyers when you talk can help develop a more comfortable atmosphere for the presentation.

Posture is also important when the potential buyer is speaking or asking questions. Slouching or leaning back on a chair during a sales presentation can make it seem like the salesperson doesn't care or doesn't take the meeting seriously. Instead, sit up relatively straight and face the buyer, to show that you are highly involved in the discussion. This posture communicates confidence and also shows the prospects that you respect their time and take the meeting seriously.

Finally, be careful about crossing your arms protectively in front of your body when a potential buyer is speaking. Many people interpret crossed arms as a signal that the listener is not open to what the speaker is saying. Even if you don't mean the crossed arms in that way, it's better not to risk giving that wrong message.

Facial Expressions

In sales presentations, salespeople should also be aware of any artificial or unfriendly facial expressions they might be making. The role-play practice discussed earlier is a good way to identify any such issues and work to improve them. Salespeople should practice smiling during presentations. Don't smile as if your face is frozen (like the Joker from Batman movies), but develop a warm, friendly, pleasant smile that can make prospects feel more comfortable.

Similarly, there are several facial expressions that salespeople should avoid. Frowning projects a negative energy or moodiness that can be troubling for potential buyers.

Arching eyebrows is another common mistake that makes salespeople look surprised, questioning, or unsure of their solution.

connect Connect Assignment **5-3**

Nonverbal Communication

Please complete the Connect exercise for Chapter 5 that focuses on nonverbal communication during a sales presentation. Understanding the impact of nonverbal signals can help salespeople be more effective in building trust and developing customer relationships.

VIRTUAL AND TEAM-SALES PRESENTATIONS

LO 5-5

Name elements of effective virtual and team-sales presentations.

The Marketing Impact of COVID-19

Much of our discussion of sales presentations has sounded like the salesperson will be in a one-on-one discussion with a single potential buyer. If you embark on a sales career, you undoubtedly will do many such sales presentations. But it also is true that such traditional sales presentations are becoming less common in modern business. Research from Salesforce has found that 58 percent of individual consumers and 77 percent of business buyers feel that technology has changed their expectations of how companies should interact with them.[10] During the COVID-19 (coronavirus) pandemic, businesses of all sizes and and across industries were forced to quickly pivot to virtual selling (see Figure 5-2), and many were unprepared. Sales meetings that might once have been face-to-face and sealed with a handshake were now taking place over Zoom calls.

As technology plays a bigger role in the sales process, face-to-face opportunities are declining. In their place, virtual as well as team-sales presentations are increasing.

Virtual Presentations

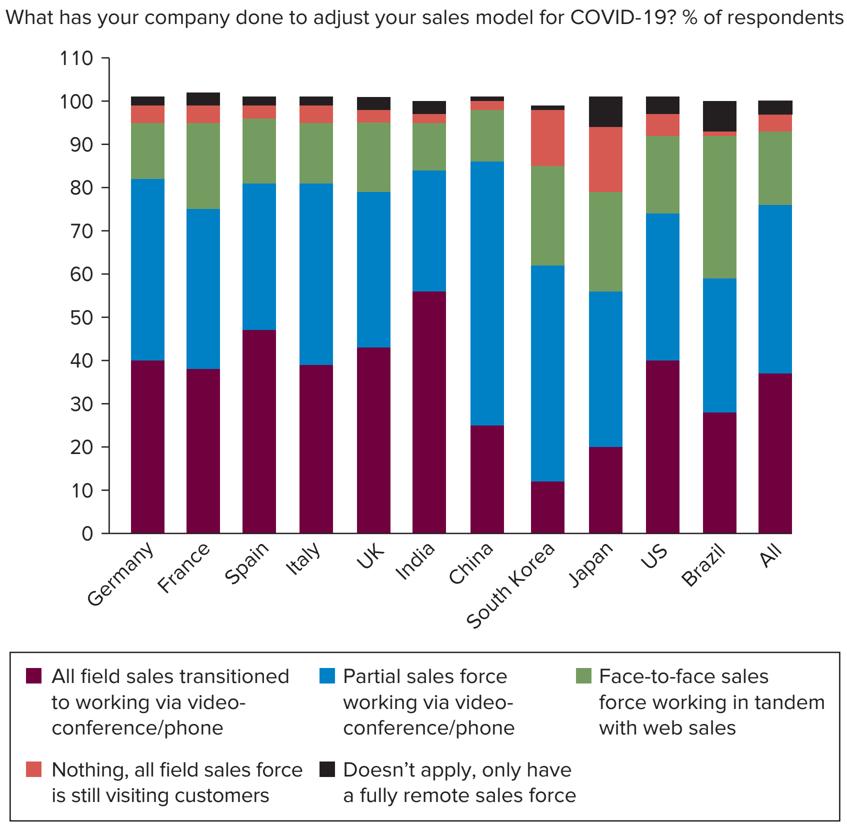
Even though relationships are fundamental to long-term sales success, research shows that sales reps are spending more time in front of screens doing **virtual presentations**—online presentations in which the host and audience attend the presentation remotely. From 2016 to 2018, virtual connections with customers increased 3.2 times more than in-person meetings with customers.[11] Then during the COVID-19 pandemic in 2020, over 90 percent of B2B sales organizations transitioned to a virtual sales model during the crisis.[12] Screen-to-screen selling might be convenient and cost-effective, but the concept of building relationships might be lost if the salesperson doesn't inject some personality into the sales process. Regardless of how they interact with salespeople—whether in person or through digital media—customers continue to prize a personalized and consultative selling process.

virtual presentations
Online presentations in which the host and audience attend the presentation remotely.

If you use virtual presentations in your selling (or any) career, you will want to focus on increasing engagement and eliminating distractions. Mastery of those two elements will increase the likelihood of success.

Increase Engagement In another chapter, we defined *customer engagement* as the connection that exists between the salesperson, the selling firm, and the customer. Achieving engagement is especially important to think about in virtual

FIGURE 5-2 Sales-Model Adjustments for COVID-19



Source: Ryan Gavin, Liz Harrison, Candace Lun Plotkin, Dennis Spillecke, and Jennifer Stanley. "The B2B digital inflection point: How sales have changed during COVID-19." April 30, 2020. https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/the-b2b-digital-inflection-point-how-sales-have-changed-during-covid-19.

sales presentations. Too often, it is something many salespeople take for granted will occur.

How can you increase engagement in virtual presentations? Take advantage of your virtual-presentation tools to make the audience feel like they are sitting right next to you every time you present. Use engagement technologies like live Q&As, surveys, polling, and chats to make your audience more involved in your presentation. Be careful, though, not to use silly questions just for the sake of having people interact. Use interactivity to build engagement only when it adds value to the audience.

Eliminate Distractions Many of the people attending a virtual presentation will be listening to it through headphones, so every noise they hear will be noticeable. To ensure that such noises do not distract the audience (or yourself), use the following guidelines:

- Remove rustling papers and email pop-ups, and silence your mobile devices.
- Ask another member of the sales team to serve as a moderator to field incoming questions from your attendees.

- Make whatever arrangements are needed to prevent mid-presentation interruptions, such as a dog or cat (or child) coming into the picture.

Sellwell/Shutterstock

Team Selling

Traditionally, the sales profession has not encouraged a great deal of collaboration. Many students know only the negative competitiveness displayed in movies such as *Glengarry Glen Ross* or *Boiler Room*, with salespeople striving to meet individual goals. But that culture is slowly starting to change, and for good reason. Research suggests that salespeople who collaborate with their coworkers increase overall sales performance. Sales reps who collaborate more often also win more often. This success, especially in more complex selling situations, has led to an increase in team selling. In **team selling**, a salesperson works with experts from across the firm to support new-customer acquisition and ongoing customer relationship management.

team selling
A sales approach in which a salesperson works with experts from across the firm to support new-customer acquisition and ongoing customer relationship management.

Team selling often results in customers seeing the organization they do business with as one entity, delivering personalization across their entire experience with that company. To enable this, selling teams embrace a free and open internal flow of customer data. Indeed, 81 percent of teams say a connected view of customer data is important.[13] Top teams are more than twice as likely as underperformers to have the integrated systems that are critical to such a view.

Despite its benefits, team selling can lead to additional challenges. Think about any group presentation you have been involved in during school and the process to decide who would present which part. Now imagine if millions of dollars were at stake based on your presentation. Would that change who should do the presentation? Where would you put your best presenter—first or last? Who would be responsible for answering questions? The power of team selling is real, and the likelihood of success can be increased by making strategic decisions about the team.

Define Each Team Member's Role In most cases, one central person should lead the sales presentation. This choice is dictated by the goal of the call and the team's expectations of the prospect. For example, if it's a technical call, the sales engineer might lead.

The person who acts as a leader sets the agenda, asks the questions, and controls the call. Supporting persons can participate on certain questions when their expertise is relevant, but they should generally remain in the background. A person in the supporting role should listen, take specific notes, chat ideas directly to the lead, or just act as an extra set of ears to make sure the prospect is on track.

Carefully Assemble the Team Don't neglect thinking about group size, personality traits, and skill strengths. Design a team with a combination of people who have gravitas, technical knowledge, effective sales techniques, and management skills. Also keep in mind buyer needs, team dynamics, and group structure when forming teams. Weigh the options of a two-person versus a five-person team, for example.

Taylor Schneider

Sales Consultant

Tennis Australia

Describe your job. I'm a sales consultant for Tennis Australia. Since its beginnings in 1904, Tennis Australia has developed into a multi-million-dollar business, marketing tennis as a sport and a brand, and staging international events including the Australian Open. I sell corporate hospitality for the Australian Open here in Melbourne, Australia. We reach out to clients who have been coming to the tournament for decades, and we service new business as well.

Taylor Schneider

How did you get your job? Playing soccer brought me to Australia. When I first arrived, I stayed with a host family of a player who was on the under-12-year-old team sponsored by my soccer club. They were a lovely family, and I spent a lot of time with them, which naturally created a great relationship. Several years later, I was working in a job that I didn't really like; I wasn't passionate about what I was doing and I didn't believe in the business. I remembered talking with the dad of my Australian host family about what he did, so I reached out to the family and he was able to get me an interview. I ended up getting the job.

What has been most important in making you successful at your job? The most important thing about making me successful at my job is belief in myself: believing that I have what it takes to be successful, unique, and great at my job. This was my first big sales role, and I honestly had no idea what I was doing. My thoughts created my reality when I began not only thinking but really believing I could be great at this.

What advice would you give future graduates about a career in sales? When looking for a job after graduation, go for what you are passionate about and something you care about. I have grown up playing sports, so naturally sport is something I care a lot about. Even though I have never played tennis, the atmosphere in my workplace and around what we are doing is amazing.

What is the most important characteristic of a great salesperson? When you have a career in sales, the most important thing is to be organized. Organization is beneficial not only for yourself and your productivity but also in building trust between you and your clients. Staying organized enables you to track your contacts effectively and builds integrity in your brand as a salesperson.

STORYTELLING IN SALES PRESENTATIONS

LO 5-6

Describe the impact of storytelling on sales presentations.

Storytelling has been around for centuries. The use of storytelling for selling enables sales representatives to build relationships with customers and prospective customers, to stand out from competitors, and to sell products and services effectively.

Storytelling is on the rise in face-to-face as well as virtual-selling channels. Successful sales representatives can no longer merely talk about the features or benefits of their product (or service, event, cause). Instead, they will benefit by telling a convincing and memorable story that conveys relevant information to the customer or prospect. Stories enable salespeople to emotionally connect and engage with customers and prospects. As powerful communication tools, stories add value to the sales presentation.[14]

Benefits of Storytelling in Sales

Why tell stories? Storytelling in sales adds multiple benefits including capturing the attention of the audience, motivating individuals and groups to take action, and making data and facts come to life.

Good Stories Capture the Attention of the Audience When facts and data are framed within a compelling story, the salesperson will hold the listeners' attention and help them connect bits and pieces of the story to their context. This results in better retention.

Imagine you are a fundraiser at your university making a sales presentation to a donor about potentially endowing a scholarship by giving $25,000 to the university. You are more likely to succeed if you can tell a story about how endowed scholarships have changed the lives of actual students. For example: Rebecca was a nontraditional accounting student who had exhausted all of her financial aid options; despite a high GPA, she could find no way to pay for her final semester of college. When she received the $2,500 scholarship from a donor, she became emotional as she thanked the donor for giving her the chance to finish her college education. The following year, Rebecca sent a thank-you letter to the donor saying she loved the job she found after graduation and that she was now making more money than anyone in her entire family had ever made.

Good Stories Motivate Individuals and Groups to Take Action Stories are effective in sales presentations because they often trigger emotional responses, and emotions drive many consumer decisions. This is especially true for nonprofits in their fundraising efforts; they are often in the "business" of creating stories of perseverance, hope, and new beginnings. Nonprofits tend to have readily available the content for powerful impact stories that focus on changing the world. Such stories can lead to large donations, new scholarships, and program support that will create similar stories for future generations. Regardless of the nonprofit's focus, stories can be an incredible tool for fundraising, raising awareness, mobilizing volunteers, and building trust.

When developing a story for a sales presentation, salespeople should think about a decision maker's or potential donor's pain points and personal goals. A visceral response to a story is what often will inspire the sales prospect to take action.

Good Stories Build Trust and Rapport One way to establish credibility is to start the sales pitch with a story that features a previous success. If you can convince a prospect to trust you, you have a chance to persuade him or her that your product is worthwhile. Referrals from a trustworthy source can be meaningful; 84 percent of all B2B sales start with a referral.[15] A story can help prove the product is worth the investment—because it has already delivered results in another instance.

Good Stories Make Data and Facts Come to Life Stories are how we best learn and visualize information. Often, it is through stories that facts and raw data gain meaning. Stories can simplify and clarify even the most complex information and make it more interesting. Additionally, stories help people remember what they've heard. Salespeople need to become expert storytellers, or "story-sellers," by mastering the skill of telling persuasive stories.

Selling Yourself with Stories

Before we leave the topic of storytelling, let's apply it to the product you will be selling throughout your life—yourself. Whether you are planning a career in sales or not, storytelling is a powerful skill to acquire. Sooner or later, we all must sell ourselves. As you complete your college education, think about and develop stories that share something about you and your personal journey that would make future employers more likely to hire you or future employees more likely to work for you.

CHAPTER SUMMARY

LO 5-1 Describe the three main types of sales presentations.

The *sales presentation* is the delivery of information relevant to solving the customer's needs. Salespeople who are prepared and select the most appropriate type of sales presentation can increase their likelihood of closing the sale. Developing a sales-presentation strategy begins with choosing one of the three main types of sales presentations: memorized, formula, and need-satisfaction. The salesperson should consider which type of presentation will be most persuasive to their customers. *Persuasion* is a communication process by which you motivate someone else to voluntarily do something you would like them to do.

In a *memorized presentation*, the salesperson presents the same selling points in the same order to all customers. In a *formula presentation*, the salesperson follows a somewhat less structured, prepared outline in making a presentation, allowing more flexibility and enabling the salesperson to gain some customer feedback. In a *need-satisfaction presentation,* the salesperson probes into the stated as well as unstated needs of the consumer and then gives a sales presentation that shows how his or her product will satisfy the customer's needs.

LO 5-2 List activities that are useful in preparing effective sales presentations.

Regardless of the type of sales presentation they choose, salespeople must actively prepare in order to achieve an effective presentation. A logical first step is to develop a *customer-value proposition,* which is a statement of how the sales offering will add value to the buyer and/or the buyer's organization.

Salespeople can use a variety of activities to improve the quality of a sales presentation: identify the customer problem, plan what you want the customer to remember, consider a product demonstration, provide slick data, and practice through role play.

LO 5-3 List reasons for sales-presentation failure and strategies to prevent such failures.

A bad sales presentation can greatly reduce the likelihood of closing a sale. There are a handful of common presentation problems that salespeople should work hard to prevent: technical problems, poor presentation skills, sharing irrelevant information, unethical behaviors, and international and intercultural communication challenges.

LO 5-4 Describe the importance of nonverbal behaviors in sales presentations.

Nonverbal communication, often referred to as body language, encompasses the behaviors such as eye contact, posture, and facial expressions by which people communicate in ways other than words. Salespeople should have an understanding of their ability to communicate—both positively and negatively—through body language.

LO 5-5 Name elements of effective virtual and team-sales presentations.

As technology plays a bigger role in the sales process, face-to-face opportunities are declining and virtual presentations are increasing. Salespeople who use virtual presentations should focus on increasing customer engagement and eliminating distractions in order to increase the likelihood of success.

Sales reps who collaborate more often also win more often. This success, especially in more complex selling situations, has led to an increase in team selling. The power of team selling can be increased by making strategic decisions before the presentation. Two such decisions are to define the role each member will have in the presentation and to carefully assemble the team in terms of group size, personality traits, and skill strengths.

LO 5-6 Describe the impact of storytelling on sales presentations.

The use of storytelling for selling enables sales representatives to build relationships with customers and prospective customers, to stand out from competitors, and to sell products and services effectively. Storytelling is on the rise in both face-to-face and virtual selling channels. Benefits of good storytelling in sales include capturing the attention of the audience, motivating individuals and groups to take action, building trust and rapport, and making data and facts come to life. Storytelling is a powerful skill for everyone because sooner or later, we all must sell ourselves.

KEY TERMS

sales presentation (p. 100)
persuasion (p. 100)
memorized sales presentation (p. 100)
formula sales presentation (p. 100)
need-satisfaction sales presentation (p. 101)
customer-value proposition (p. 102)
features (p. 102)
benefits (p. 102)
product demonstration (p. 103)
data visualization (p. 103)
role play (p. 104)
intercultural communication competence (p. 107)
cultural awareness (p. 107)
cultural sensitivity (p. 107)
cultural adroitness (p. 107)
nonverbal communication (p. 108)
virtual presentations (p. 109)
team selling (p. 111)

DISCUSSION QUESTIONS

1. Imagine that you have been assigned by your university to sell an alumnus(a) of your school on endowing a scholarship for students. Which of the three types of sales-presentation strategies would you use? Explain why you chose that type of sales presentation and why it is better than the other two options.
2. Pretend that you have decided to sell a model of car that someone in your family drives today. If you were giving a presentation to a room of prospective car buyers, which tools would you use in your presentation? What would be your customer-value proposition?
3. In your experience, what is the most common reason that presentations fail? If you gave a sales presentation tomorrow, what steps would you take to make sure the presentation was a success?
4. What nonverbal communication signals have the most impact on you as a customer? If you started a new job as a salesperson today, which nonverbal communication signal do you think you would struggle with the most? Explain your answer.
5. Would you rather give a sales presentation in person or virtually using a web-conferencing service? Explain the reasons for your answer.
6. Tell a story about something in your life that shares with a prospective employer information that would make him or her more likely to hire you after graduation. What characteristics about you does your story highlight (intelligence, character, work-ethic, etc.)?

ETHICAL CHALLENGE

In 2016, the U.S. federal government announced its estimate that Americans lose $17 billion a year to conflicts of interest among financial advisers. Wall Street banks and salespeople dispute that math, but a wave of research over the past few years has documented serious problems with how Americans get financial advice. Financial advisers are, in part, salespeople pitching ideas in the hope that clients will trust them with their money. Many investors believe that their relationship with a financial adviser carries the same sort of solemnity as that of an attorney and client or of a doctor and patient. An attorney is bound to zealously represent you; a doctor pledges to do no harm. But the economics of the financial industry—fees, commissions, quotas—can end up standing in the way of the customer's money-accumulation goals.

The so-called *fiduciary rule*, finalized under the Obama administration, sought to fix this disconnect. All advisers would be required to put clients first when handling retirement accounts, which is where the bulk of everyday Americans' savings reside. However, the new administration ordered the Department of Labor to reconsider the rule, arguing that tying the hands of advisers would limit investor choices, raise the cost of financial advice, and trigger a wave of litigation.

Offering financial advice is enormously profitable, with U.S. investment firms achieving operating profit margins as high as 39 percent, according to the CFA Institute. And once advisers collect enough client assets, they can get huge bonuses for switching firms (and bringing their customers with them). Until recently, the going rate was a bonus of more than three times the annual fees and commissions the adviser brings in the door; an adviser with $200 million under management could expect a bonus of $6.6 million.

Meanwhile, the total cost of bad advice given to consumers—in higher fees and lower performance—is probably much higher than the $17 billion estimated by President Obama's Council of Economic Advisers (CEA). The CEA figured investors are losing an extra 1 percent annually on $1.7 trillion in individual retirement accounts controlled by conflicted advisers. But IRAs represent just an eighth of the $56 trillion in financial wealth Americans control, according to Boston Consulting Group.

Many on Wall Street argue that strict regulations on financial advice will make it less affordable for middle-class investors. The Securities Industry and Financial Markets Association wrote in a letter to the Labor Department that the fiduciary rule would "adversely affect the ability of millions of Americans to save for retirement, [and] increase the costs of retirement accounts while limiting access to advice and products." But if advice as it currently exists is riddled with conflicts and hidden costs, supporters of the rule ask, should it even be called advice?

Questions

1. If you were a financial adviser, what would be your sales pitch as to why an investor should trust you with his or her money?
2. If a potential client asked you about your stance on the fiduciary rule, how would you respond?
3. How might you go about building trust with clients who have lost money in the past?
4. How would you address mistakes you make with existing clients?

Source: Ben Steverman, Bloomberg, June 7, 2017, https://www.bloomberg.com/news/features/2017-06-07/fiduciary-rule-fight-brews-while-bad-financial-advisers-multiply.

ROLE PLAY

This role play will give you experience in presenting to prospective donors. For this role play, half of your class should be development directors for your college or university, responsible for raising money for scholarships and endowed faculty positions for your school. Each salesperson should pick the scholarship, department, or program they are raising money for and develop a presentation to win over prospective donors.

The other half of class will be the prospective donors. Each donor has up to a pretend amount of $100,000 to donate to charitable causes. Each donor will hear at least four different sales presentations and can raise issues that are important to them. At the end of the role play, each donor will decide how much money to give to each fundraising presentation and provide feedback about the choice to give to that presentation (or presentations) over the others.

At the end of the role play, both the fundraiser and the donor students should reflect on what made the biggest positive or negative impact and what they would suggest a fundraiser say and do when making a presentation to donors of your college or university.

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SALES PRESENTATION

For the Connect assignment in Chapter 5, students will practice giving a presentation about their favorite sports team or theater production. Prepare a three- to five-presentation on why a person should buy season tickets to a sports team (professional or college) you like or to a theater that offers season tickets for concerts and/or Broadway-style shows. Be sure to include at least one of the tools for sales presentations you learned about in this chapter.

CAREER TIPS

Lance Gooch

Lance Gooch
Contractor Sales Representative
84 Lumber

Taking Care of the People Who Take Care of You

Before 84 Lumber, I worked in sales positions for a large retail store and then for a professional sports organization. In these roles, I've seen firsthand the importance of taking care of the people in the organization who have helped me have a successful sales career.

A career tip essential to being successful in sales is, "Take care of the people who take care of you." In my industry, the people who load the lumber, deliver it, and do many small things to make our customers happy do not get enough credit for their outstanding work. I wanted to reward that work. So, I started a few years ago to get and hand out four season tickets to a local professional basketball team, to make sure the people who help me so much can have some fun R&R away from the lumber yard.

There are so many people in the organization whom salespeople depend on. These people could easily put their time and effort into helping salespeople other than me if I do not treat them the best I can. The people I work with are a massive part of my success, and I try each day to make sure they know how much I appreciate them. Many salespeople might consider contests as rewards for sales performance, but I think that random and personal rewards are better. Listen to your co-workers and find out what they like to eat, drink, and do in their spare time. Then, collect gift cards for coffee, restaurants, movies, and other rewards they like. These cards can be valued at less than $20, but they can have a big positive impact. Have these rewards ready and find opportunities to appreciate an action for a job well done. Say thank-you to the employees who helped you, be specific about what you appreciate, and then give them the gift card. People who feel appreciated perform better, and salespeople who understand this will do a lot better throughout their careers.

CHAPTER ENDNOTES

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Design elements: Marketing Insights Podcast: vandame/Shutterstock

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Sample Syllabus

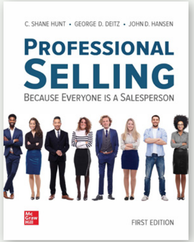
Personal Selling and Sales Force Management

COURSE DESCRIPTION

Professional Selling provides an introduction to the personal selling process, the functions of sales management, and current issues including legal and ethical issues and the impact of technology as the topics relate to selling, the sales force, and sales management.

COURSE OBJECTIVES

- Acquire an understanding of and appreciation for the critical role provided by personal selling in social development and business expansion.
- Attain a realistic comprehension of the changing nature of personal selling.
- Understand the evolving strategic role and critical importance of the selling function within an organization.
- Develop creative, critical thinking and reasoning skills for enhanced problem solving.
- Enhance written and verbal communication skills.



REQUIRED TEXTBOOK

Professional Selling,
1st Edition (2021)
C. Shane Hunt Ph.D.,
George Deitz Ph.D., and
John Hansen Ph.D.
McGraw Hill

COURSE REQUIREMENTS

Tests: Exams will be given on the scheduled dates in the syllabus (March 1 and May 3) in class. The tests will include material presented in class and covered in the book prior to the exam. The final exam will not be comprehensive. Students will be provided with answer sheets for each exam.

Quizzes: There will be 4 quizzes given throughout the semester. The 3 highest scores will be averaged and count for 5% of the students' final grade. Each of the quizzes will be short answer/essay and will cover 1 chapter. The quizzes will be announced at least one week in advance. If you miss a quiz, it can count as your dropped quiz. There are no makeup quizzes.

Role Play: Each role play assignment is designed to help students practice delivery of the sales message. There will be two role play exercises during the semester and each is worth 5% of your final grade (10% total).

Connect Assignments: McGraw-Hill's Connect is a web-based assignment and assessment solution required for this course. Connect is designed to assist you with your coursework based on your needs. You will have 1-2 Connect assignments due each week. As outlined in this syllabus, assignments will make up 15% of your overall course grade.

Learnsmart: McGraw-Hill LearnSmart is an adaptive learning system designed to help students learn faster, study more efficiently, and retain more knowledge for greater success. It is an easy portion of your grade to score highly on as long as you put in the time and effort. It will also help you score better on each exam (students who spend the required time in Learnsmart score 11% higher on average on each of my exams).

You are required to spend a minimum of 20 minutes in Learnsmart for each of the 10 chapters. To get full credit, you must complete the required Learnsmart time for each chapter on a specific exam, before that exam date. For example, to get full credit on Chapters 1-5, you will need to spend 20 minutes on each of those chapters before you take the mid-term exam on March 1st. As outlined in this syllabus, Learnsmart assignments will make up 5% of your overall course grade.

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Sales Presentations: Each student will be required to give (2) sales presentations during the semester. One will be recorded in Connect and one will be made in from of the class. Each of these is worth 10% of your final grade (20% total).

Bengal Sales Challenge: For your final project, each student will participate in the Bengal Sales Challenge in April where you will compete against students across the Univ

GRADING

Connect Assignments	15%
Role Play	10%
Mid-Term Exam	20%
Final Exam	20%
Quizzes	5%
Learnsmart	5%
Sales Presentations	20%
Bengal Sales Challenge	5%
TOTAL	**100%**

GRADING SCALE

A = 90% and higher
B = 80% - 89%
C = 70% - 79%
D = 60% - 69%
F = 59% and below

COURSE OUTLINE

WEEK	TOPIC
Jan 11-15	Chapter 1 – *Everyone is a Salesperson*
Jan 18-22	Chapter 2 – *Prospecting and Qualifying* **(Quiz #1)**
Jan 25-29	Chapter 2 and **Sales Presentation #1**
Feb 1-5	Chapter 3 – *Engaging Customers and Developing Relationships*
Feb 8-12	Chapter 3 and **Role Play #1**
Feb 15-19	Chapters 4 – *Social Selling*
Feb 22-26	Chapter 5 – *Sales Presentation Strategies* **(Quiz #2)**
Mar 1-5	**Mid-Term Exam (Chapter 1-5)**
Mar 8-12	Chapter 6 – *Solving Problems and Overcoming Objections*
Mar 15-19	Chapter 7 – *Negotiating Win-Win Solutions* **(Quiz #3)**
Mar 22-26	Chapter 7 and **Sales Presentation #2**
Mar 29 - Apr 2	Chapter 8 – *Profitology*
Apr 5-9	Chapter 8 and **Role Play #2**
Apr 12-16	Chapter 9 – *Sales Compensation and Career Development* **(Quiz #4)**
Apr 19-23	Chapter 10 – *The Psychology of Selling: Knowing Yourself and Relating to Customers* **(Bengal Sales Challenge)**
May 1	**Final Exam @ 3:30 PM (Chapters 6-10)**

INSTRUCTIONS ON HOW TO ACCESS THE MOODLE WEBSITE

1. Log on to your Moodle account through Bengal Web. You will have a list of all your classes this semester that are using Moodle.
2. Click on the link to MKTG 2225 to enter the online classroom.

ACADEMIC SUPPORT

There are a variety of support services available to students including advising, financial aid, scholarships, jobs, career services and campus activities.

TECHNICAL SUPPORT

The web site for ISU information Technology Services is http://www.isu.edu/its/.
There are resources to help you with the LMS (the Learning Management System ISU used is called Moodle) at the Instructional Technology Resource Center or ITRC site. Students can find helpful handouts at the address http://www.isu.edu/itrc/m2/m2handouts_students.shtml. There is a help desk at 282-HELP (4357) or http://help.isu.edu/.

ADVISING HELP can be found on the ISU Internet site:

The success center provides tutoring and other services for students and its information is located at http://www.isu.edu/success/cat/.

The counseling and testing center offers variety of support services listed at http://www.isu.edu/ctc/.

Scholarship information is located online at http://www.isu.edu/scholar/.

DISABILITY AND SUPPORT SERVICES

Our program is committed to all students achieving their potential. If you have a disability or think you have a disability (physical, learning disability, hearing, vision, psychiatric), that may need a reasonable accommodation, please contact the ADA Disabilities & Resource Center located in Rendezvous Complex, Room 125 at 282-3599 or http://www.isu.edu/ada4isu/.

ACADEMIC INTEGRITY

Academic integrity is expected at ISU and the College of Business. All forms of academic dishonesty, including cheating and plagiarism, are strictly prohibited, the penalties for which range up to permanent expulsion from the university with “Expulsion for Academic Dishonesty” noted on the student’s transcript. You can take a tutorial at http://www.isu.edu/library/research/ait/aitsitemap.html. The benefit of the tutorial is that it can help clarify standards.

Support at Every Step

Student Resources

- **SmartBook®** adaptive reading experience, integrated data analytics, and adaptive learning/study tools (via Connect and free SmartBook app, iOS and Android).
- **LMS-integrated Connect™ platform,** with a variety of WCAG 2.0 compatible Application Exercises, featuring videos with captions and transcripts.
- **14-day Courtesy Access** at the start of each semester, with low-cost print upgrade option for students who want a full-color printed version of the text.
- **7 days/week Customer Experience Group** student tech support (online, email, phone).

Faculty Resources

Analytics in SmartBook and Connect to help instructors tailor lectures and discussions, including but not limited to:

- **Connect's AACSB-tagged quiz and test banks** provide an easy testing solution, with reports like theCategory Analysis Report saving time by providing a one-click solution for displaying mastery of objectives at the individual, section, and course levels.
- **Connect's At-Risk Student Report** provides a visual indicator a way to close the gap with students lacking engagement.
- **SmartBook's Most Challenging Learning Objectives Report** helps both students and instructors make data-driven decisions about time spent studying and in the classroom, providing insight on the top content struggles for any given SmartBook assignment.
- **LMS Integration** keeps everything in one single, secure place, with personal setup assistance and ongoing support from McGraw-Hill Education's dedicated Implementation Consultants enhancing the seamless experience.
- **Comprehensive instructor resources and support,** including Instructor's Manual, PowerPoint slides, engaging activities and more.
- **Digital Success Academy Online** Connect user guides, on-demand webinars, and how-tos.
- Technical support (Customer Experience Group) by phone, email or real-time chat.
- **Customized First-Day-of-Class Resources,** to ensure a smooth start to your term.
- **Digital Faculty Consultant network,** for sharing best practices.

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