

ELEVENTH EDITION

# MARKETING

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CHAPTER

20

PERSONAL  
SELLING  
AND SALES  
MANAGEMENT

# SCOPE AND SIGNIFICANCE OF PERSONAL SELLING AND SALES MANAGEMENT

➤ **Personal Selling**

Cambridge Sales



➤ **Sales Management**

➤ **Selling Happens Almost Everywhere**

- **“Everyone Lives by Selling Something”**

➤ **Personal Selling in Marketing**

# SCOPE AND SIGNIFICANCE OF PERSONAL SELLING AND SALES MANAGEMENT

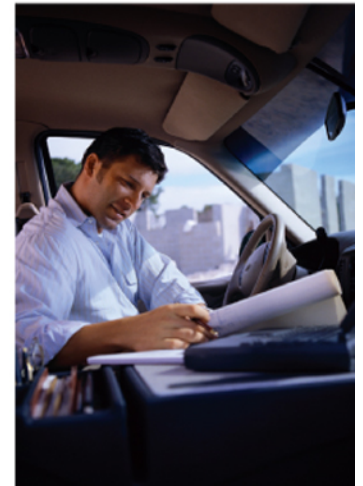
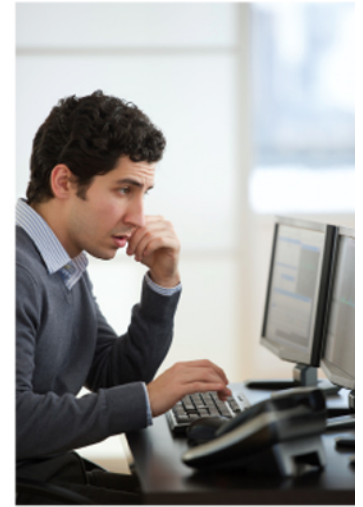
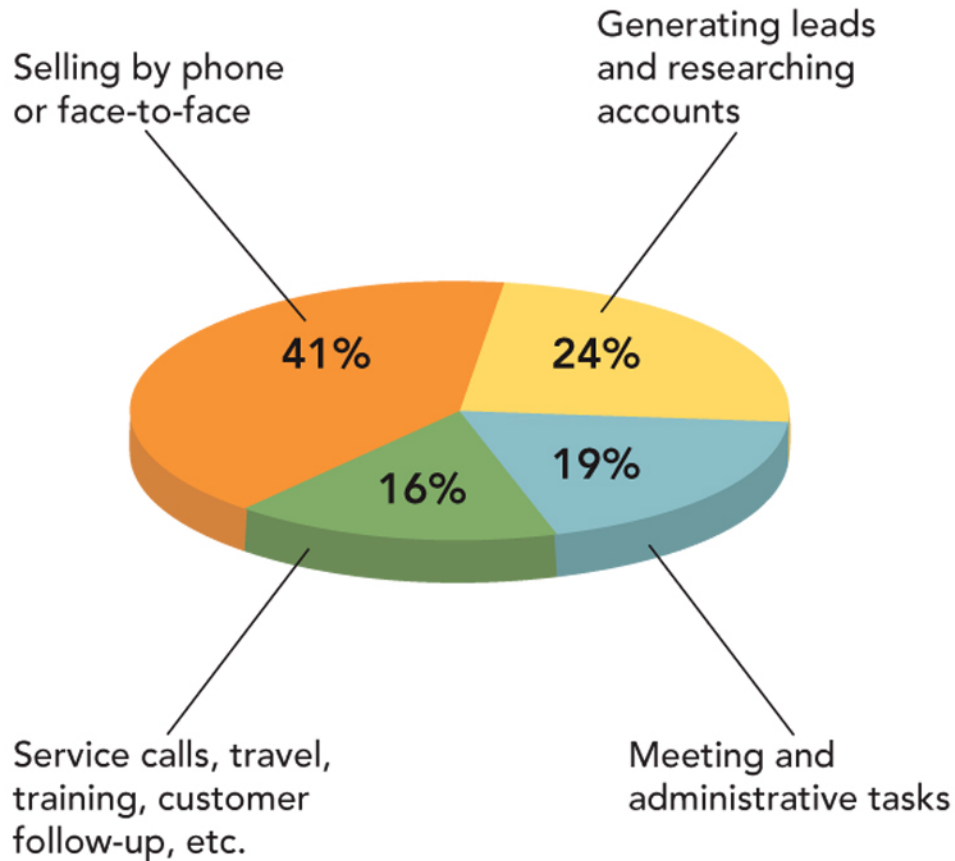
## CREATING CUSTOMER VALUE

### ➤ Salespeople:

- **Identify Creative Solutions to Customer Problems**
- **Ease the Customer Buying Process**
- **Make the After-the-Sale Follow-Up**



## FIGURE 20-2 How outside order-getting salespeople spend their time each week



# THE PERSONAL SELLING PROCESS: BUILDING RELATIONSHIPS PROSPECTING

## ➤ Types of Prospects

- Lead
- Prospect
- Qualified Prospect



## ➤ Cold Canvassing/Cold Calling

# MAKING RESPONSIBLE DECISIONS

## Ethics of Asking Customers About Competitors



# THE SALES MANAGEMENT PROCESS

## SALES PLAN FORMULATION

### ➤ Organizing the Salesforce

- Own Salesforce vs. Independent Agents



# THE SALES MANAGEMENT PROCESS

## SALES PLAN FORMULATION

### ➤ Organizing the Salesforce

- Structure of the Salesforce

- Customer



- Product



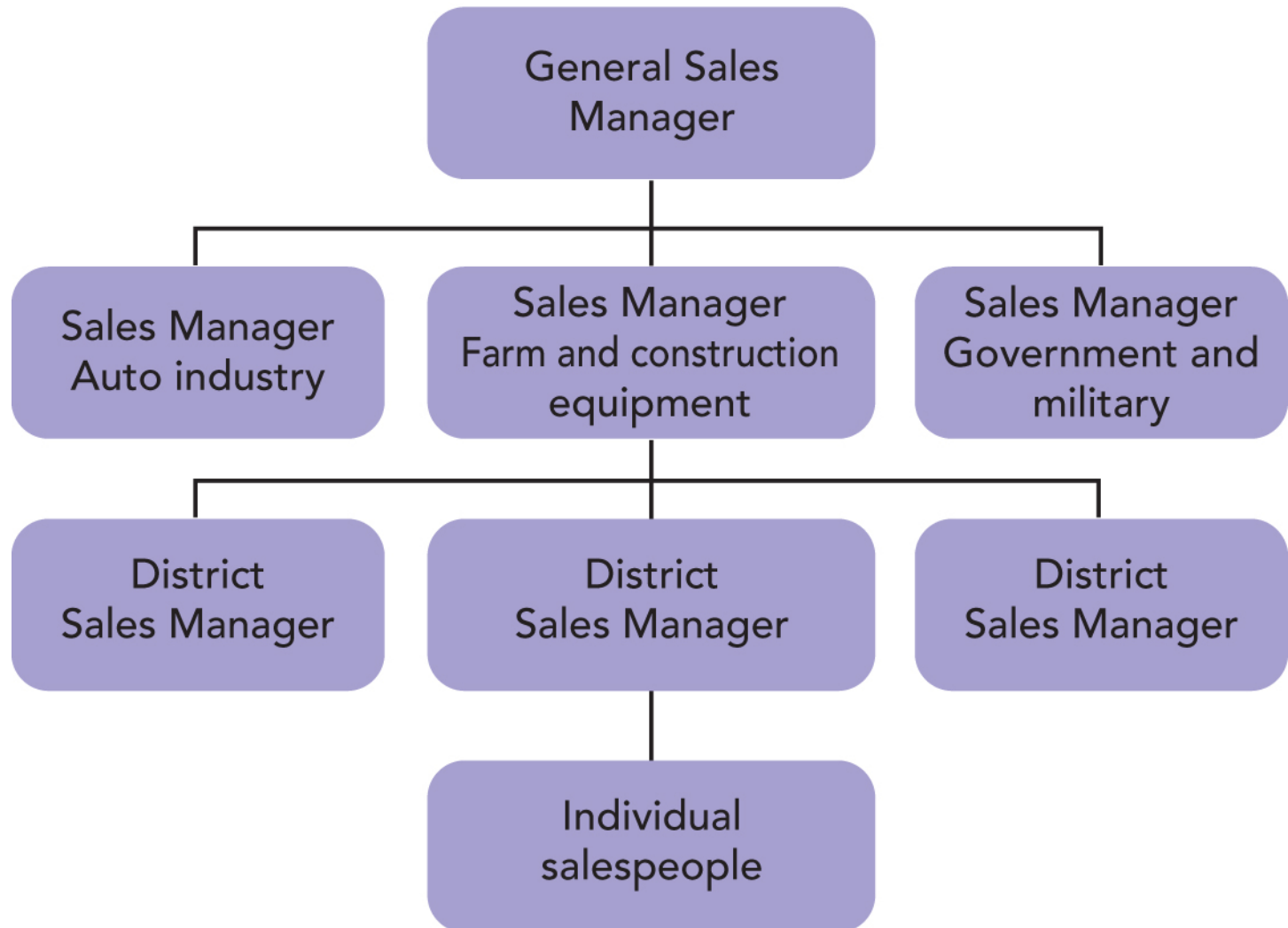
- Geography



- Key Account Management

## FIGURE 20-6A Organizing the salesforce by customer

### Customer organization



# FIGURE 20-6B Organizing the salesforce by product



# THE SALES MANAGEMENT PROCESS

## SALES PLAN IMPLEMENTATION

- **Salesforce Training**
- **Salesforce Motivation and Compensation**
  - **Straight Salary**
  - **Straight Commission**
  - **Combination**



- **Nonmonetary**



# THE SALES MANAGEMENT PROCESS

## SALESFORCE EVALUATION

### ➤ Quantitative Assessments

- Sales Quota



### ➤ Behavioral Evaluation

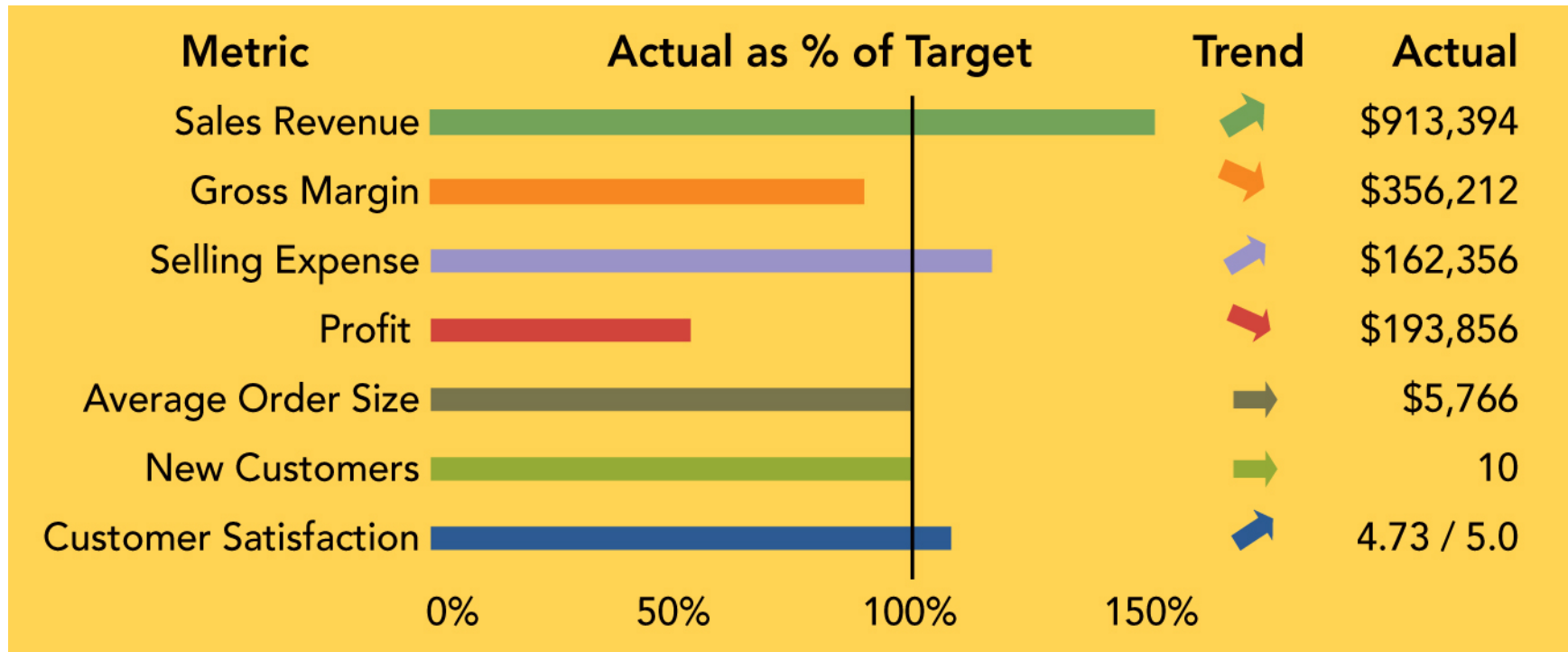
- Subjective Measures
- Customer Satisfaction



LO4

# USING MARKETING DASHBOARDS

## Tracking Salesperson Performance at Moore Chemical & Sanitation Supply, Inc.



# THE SALES MANAGEMENT PROCESS

## SALESFORCE AUTOMATION AND CUSTOMER RELATIONSHIP MANAGEMENT

### ➤ Salesforce Automation (SFA)

### ➤ Salesforce Technology




### ➤ Salesforce Communication



- Home Offices
- Internet

# VIDEO CASE 20

## XEROX: BUILDING CUSTOMER RELATIONSHIPS THROUGH PERSONAL SELLING



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## VIDEO CASE 20

### XEROX

1. Why was Anne Mulcahy's experience as a sales representative an important part of Xerox's growth in recent years?

## VIDEO CASE 20

### XEROX

2. How did the sales approach change after Mulcahy became the CEO of Xerox?

## VIDEO CASE 20

### XEROX

3. (a) How does Xerox create customer value through its personal selling process?  
(b) How does Alison Capossela provide solutions for Xerox customers?

## VIDEO CASE 20

### XEROX

4. Why is the Xerox training program so important to the company's success?

# Personal Selling

**Personal selling** is the two-way flow of communication between a buyer and seller, often in a face-to-face encounter, designed to influence a person's or group's purchase decision.



# Sales Management

**Sales management** consists of planning the selling program and implementing and evaluating the personal selling effort of the firm.



# Relationship Selling

**Relationship selling**  
is the practice of building ties  
to customers based on a  
salesperson's attention and  
commitment to customer needs  
over time.



# Partnership Selling

**Partnership selling** is the practice whereby buyers and sellers combine their expertise and resources to create customized solutions, commit to joint planning, and share customer, competitive, and company information for their mutual benefit, and ultimately the customer. Also called *enterprise selling*.



# Order Taker

An **order taker** processes routine orders or reorders for products that were already sold by the company.



# Order Getter

An **order getter** sells in a conventional sense and identifies prospective customers, provides customers with information, persuades customers to buy, closes sales, and follows up on customers' use of a product or service.



# Team Selling

**Team selling** is the practice of using an entire team of professionals in selling to and servicing major customers.



# Personal Selling Process

The **personal selling process** consists of sales activities occurring before, during, and after the sale itself, consisting of six stages:  
(1) prospecting, (2) preapproach, (3) approach, (4) presentation, (5) close, and (6) follow-up).



# Stimulus-Response Presentation

**A stimulus-response presentation** is a presentation format that assumes that given the appropriate stimulus by a salesperson, the prospect will buy.



# Formula Selling Presentation

**A formula selling presentation** is a presentation format that consists of information that must be provided in an accurate, thorough, and step-by-step manner to inform the prospect.



# Need-Satisfaction Presentation

**A need-satisfaction presentation** is a presentation format that emphasizes probing and listening by the salesperson to identify needs and interests of prospective buyers.



# Adaptive Selling

**Adaptive selling** is a need-satisfaction presentation format that involves adjusting the presentation to fit the selling situation, such as knowing when to offer solutions and when to ask for more information.



# Consultative Selling

**Consultative selling** is a need-satisfaction presentation format that focuses on problem identification, where the salesperson serves as an expert on problem recognition and resolution.



# Sales Plan

**A sales plan** is a statement describing what is to be achieved and where and how the selling effort of salespeople is to be deployed.



# Key Account Management

**Key account management** is the practice of using team selling to focus on important customers so as to build mutually beneficial, long-term, cooperative relationships.



# Workload Method

The **workload method** is a formula-based method for determining the size of a salesforce that integrates the number of customers served, call frequency, call length, and available selling time to arrive at a figure for the salesforce size.



# Account Management Policies

**Account management policies** specify whom salespeople should contact, what kinds of selling and customer service activities should be engaged in, and how these activities should be carried out.



# Emotional Intelligence

**Emotional intelligence** is the ability to understand one's own emotions and the emotions of people with whom one interacts on a daily basis.



# Sales Quota

A **sales quota** consists of specific goals assigned to a salesperson, sales team, branch sales office, or sales district for a stated time period.



# Salesforce Automation (SFA)

**Salesforce automation (SFA)** is the use of computer, information, communication, and Internet technologies to make the sales function more effective and efficient.

