

Mini Test 13 Test bank Questions and Answers

--About 60 percent of U.S. companies now include customer satisfaction as a _____ measure of salesperson performance.

e. behavioral

--According to the lecture, which sales role is involved in building customer relationships from initial sale to follow-up account servicing?

d. Account Management

--An insurance company is considering using independent sales agents who would receive a seven percent (7%) sales commission on sales or its own insurance salespeople who would receive a five percent (5%) commission, salaries, and benefits. Additionally, with a company salesforce, sales administration costs would be incurred for a total fixed cost of \$650,000 per year. At what level of sales would independent salespeople be less costly to the firm? The decision to use company salespeople or independent agents is based on a break-even analysis that examines the costs of using both types of salespeople. The calculation involves setting the costs of the two options equal to each other and then solving for the sales (\$) amount:

Total cost of company salespeople (CS) = Total cost of independent agents (IA)

Total cost of company salespeople (CS) = {[Annual sales volume (X) × Company salesperson commission (Y%)] + Total fixed costs of sales administration (FC)} or $CS = [(X \times Y\%) + FC]$

Total cost of independent agents (IA) = [Annual sales volume (X) × Independent agents commission (Z%)] or $IA = (X \times Z\%)$

Set the costs of the two options equal to each other [CS = IA] and then solve for the sales amount "X" as follows:

d. \$32,500,000

--Consider Figure 20-7 above, which is an account management policy grid that groups customers according to the level of opportunity and the firm's competitive sales position. "B" represents which account management policy?

c. accounts that should emphasize a heavy sales organization position or shift resources to other accounts if a stronger sales organization position is impossible

---Consider Figure 20-7 above, which is an account management policy grid that groups customers according to the level of

opportunity and the firm's competitive sales position. "D" represents which account management policy?

✔ b. accounts that the firm should consider (1) replacing personal calls with telephone sales or direct mail to service accounts and (2) dropping account if unprofitable

--Consultative selling refers to a presentation format that

✔ b. focuses on problem identification, where the salesperson serves as an expert on problem recognition and resolution.

--Formulating the sales plan involves three tasks: (1) setting objectives; (2) organizing the salesforce; and (3) _____.

--The Frito-Lay salesperson shown in the photo above is an _____ who is taking inventory of available Doritos and Tostitos products at a supermarket.

✔ c. outside order taker

✔ d. developing account management policies

--In class, we heard about several "Trends" in Personal Selling. Which trend involves the ability of salespeople to do online video conferencing with customers?

✔ e. Electronic Sales Presentations

--In class, we heard about several "Trends" in Personal Selling. Which trend involves the ability of salespeople to retrieve the information they need at virtually any time they need it?

✔ c. Mobile Technology

In class, we heard about several "Trends" in Personal Selling. Which trend involves the need for all customer contact points to be gathered and shared within the company?

✔ b. Customer Relationship Management

In class, we heard from Valerie Thwing on Prospecting. She noted that generally:

✔ b. people are busy and it is hard to get to see them.

--In class, we looked at the "recruitment pyramid." Based on this example, what is the ratio of people interviewed to actual offers?

✔ c. 10:1

--In class, we thought about criteria which can be used in evaluating sales person performance. Which type of evaluation would include an assessment of improvements in characteristics of salespeople that are related to successful performance in the sales job?

✔ b. Professional Development criteria

--In class, we thought about planning for recruiting and selecting the salesforce. Which step involves defining the actual aptitude, skills, knowledge, personal traits, and willingness to accept occupational conditions necessary to perform the job? ✔ b. Job Qualifications

--In class, we talked about the stages in the personal selling process. If you are working with information to understand the potential customer's current needs and feelings about the available brands, which stage of the process are you in?

✔ b. Preapproach

-- In Marketing in the News, we heard about Toyota's introduction of the new Scion car models. For the past 10 years or so, what type of promotion has the company been using?

✔ b. Underground marketing, including word-of-mouth tactics.

--In Marketing in the News, we heard that Harley-Davidson just announced that its first quarter sales were less than expected. What was the main cause of the lower than expected sales?

✔ a. The dollar is strong, so foreign competitors can sell at lower prices.

--In Marketing in the News, we heard that Target recently advertised a new Lilly Pulitzer line. What happened upon the release of the line?

✔ c. Consumer reaction was very strong and the line sold out quickly.

--In the personal selling process, the stage that includes making certain the customer's purchase has been properly delivered and installed and difficulties experienced with the use of the item are addressed is referred to as the _____ stage.

✔ b. follow-up

--Key account management refers to

✔ c. the practice of using team selling to focus on important customers so as to build mutually beneficial, long-term, cooperative relationships.

--A need-satisfaction presentation refers to a presentation format that

✔ d. emphasizes probing and listening by the salesperson to identify needs and interests of prospective buyers.

--On a recent shopping excursion at a local Target store, Jim Krause went from aisle to aisle selecting the products he needed. He bought a variety of products, including shampoo, toothpaste, a green plant for his office, and several pairs of socks. Interestingly, the only salesperson Krause encountered was the person at the checkout counter. The checkout person at Target is an example of a(n)

✔ d. inside order taker

--Quantitative assessments of sales performance may be based on input-related objectives set forth in the sales plan, such as those involving

✔ b. sales calls, selling expenses, and account management policies.

--A sales quota refers to

✔ e. the specific goals assigned to a salesperson, sales team, branch sales office, or sales district for a stated time period.

--Sales management refers to