

**Athabasca University  
Faculty of Business**

**MKTG 450 Sales Force Management**

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# Topics

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## 1. Course Description

### 1.1 Introduction

Sales managers and sales representatives play an important role in the implementation of a firm's marketing plan. To achieve this end, sales managers formulate strategic sales programs, provide leadership to sales representatives and, oversee the implementation of sales programs.

MKTG 450 Sales Force Management deals with the management of an outside sales force. An outside sales force is one which calls on prospective customers at their place of business or in their homes. This course will involve the study of the selling process, sales force recruitment, training, motivation, compensation, territory design and management, and sales performance evaluation.

## 1.2 Rationale

Selling and sales management are vital to the survival of most organizations. The sales department is the only department that generates revenues that the organization needs to survive. It is also one of the most expensive departments to operate. For these reasons, an understanding of selling and sales management theories and best practices that lead to operational efficiency is desired by many organizations.

Students may also find that a course in selling and sales management will be a key factor in acquiring employment in the marketing and sales field. Most marketing and sales managers start their careers in a sales position.

## 1.3 Demographics

The target audience for MKTG 450 is:

- Students who are marketing majors in the Bachelor of Commerce program at Athabasca University.
- Students who are interested in pursuing a career as a sales manager.
- Students who are interested in pursuing a career as a professional sales representative.

## 1.4 Course Objectives

Upon completion of this course the student will be able to:

- Understand the consultative selling process.
- Design a sales account plan and sales forecast.
- Recruit, train and manage a sales force.
- Evaluate organizational and employee sales performance.

**1.5 Prerequisites: MKTG 396** Introduction to Marketing is recommended.

## 1.6 Resource List

**Mandatory :** Spiro, Rosann L, Stanton, William J, Rich, Gregory A. (2008) Management of a Sales Force. 12<sup>th</sup> Edition, McGraw-Hill Irwin.

Manning, Gerald L., Reece, Barry L., MacKenzie, Herb. (2006) Selling Today. Fourth Canadian Edition, Pearson Prentice Hall. (Chapter 1 Personal Selling Today; Introduction and Overview. pp. 4 – 28) and Chapter 4 Communication styles pp. 78-102.

Rackham, Neil. (1988) SPIN Selling. McGraw-Hill Inc. (Chapter 4 The SPIN Strategy pp. 67-98.)

Futrell, Charles M., Mitchell, Peter., Singer, Randal. (2001) ABC's of Relationship Selling. McGraw-Hill Ryerson Ltd. (Chapter 15 Social, Ethical and Legal Issues in Selling. pp. 396 – 420)

Jobber, David., Lancaster, Geoff., (2006) Selling and Sales Management. 7<sup>th</sup> Edition., pp. 8 – 10. Pearson Education.

### **1.7 Online Enhancements**

- Interactive, online key terms and concepts review activity for each lesson
- Interactive practice with feedback exercises for each lesson
- Assignment activities involve Web research
- Lesson learning activities provided guided exploration for students as they visit external Web sites to view examples and make further “real-world” connections to the essential concepts from the mandatory readings
- Currently, there is no companion Web site available for the new edition of the textbook; if one becomes available, and the activities are pedagogically appropriate, then a revision will be done to the course to add the applicable companion site activities
- Possible use of marketing simulation activity;  
[http://www.mhhe.com/business/marketing/simseries\\_website/sim\\_sales.html](http://www.mhhe.com/business/marketing/simseries_website/sim_sales.html)

## 2. Course Delivery Structure

	Lesson	Lesson Title	Readings	Completed By
<b>Part 1 Introduction to Sales Force Management</b>	1	Introduction to the Field of Selling and Sales Force Management	1. The Field of Sales Force Management Spiro et. al. Ch 1	Week 1
	2	Developing a Selling Strategy	1. Strategic Sales Force Management Spiro et. al. Ch. 2 2. Personal Selling Today Manning et. al. Ch. 1	Week 2
	3	Personal Selling	1. The Personal Selling Process Spiro et. al. Ch 3 2. The SPIN Strategy Rackham Ch 4 3. Communication Styles Manning et. al. Ch. 4 4. How SPIN Relates to the Consultative Selling Model., Swaffield 2006	Week 4
	Work on Assignment # 1 – Developing a Sales Account Plan Value: 20% of total grade.			Week 5

	Lesson	Lesson Title	Readings	Completed By
<b>Part 2 Organizing, Staffing and Training a Sales Force</b>	4	Recruiting Sales People	1. Profiling and Recruiting Sales People Spiro et. al. Ch 5	Week 6
	5	Selecting and Hiring Applicants	2. Selecting and Hiring Applicants Spiro et. al. Ch 6	
	Work on Assignment # 2 – Sales Rep Recruitment Assignment. Value: 20% of total grade.			Week 7
	6	Developing Sales Training Programs	1. Developing a Sales Training Program Spiro et. al. Ch 7	Week 8

<b>Part 3 Directing Sales Force Operations</b>	<b>Lesson</b>	<b>Lesson Title</b>	<b>Readings</b>	<b>Completed By</b>
	7	Sales Force Motivation	1. Motivating a Sales Force Spiro et. al. Ch 8	Week 8
	8	Sales Force Compensation	2. Sales Force Compensation Spiro et. al. Ch 9	
	9	Managing Sales Force Expenses	1. Sales Force Quotas & Expenses Spiro et. al. Ch 10	Week 9
10	Leadership of a Sales Force	2. Leadership of a Sales Force Spiro et. al. Ch 11		

<b>Part 4 Sales Planning</b>	<b>Lesson</b>	<b>Lesson Title</b>	<b>Readings</b>	<b>Completed By</b>
	11	Forecasting Sales	1. Forecasting Sales and Developing Budgets Spiro et. al. Ch 12	Week 10
	12	Developing and Managing Sales Territories	2. Developing and Managing Sales Territories Spiro et. al. Ch 13	
Work on Assignment # 3 – Developing a Sales Forecast Value: 20% of total grade.				Week 11

<b>Part 5 Evaluating Sales Performance</b>	<b>Lesson</b>	<b>Lesson Title</b>	<b>Readings</b>	<b>Completed By</b>
	13	Analysis of Sales Volume	1. Analysis of Sales Volume Spiro et. al. Ch 14	Week 12
14	Marketing Cost and Profitability Analysis	2. Marketing Cost and Profitability Analysis Spiro et. al. Ch 15		

	15	Evaluating A Sales Person's Performance	1. Evaluating a Sales Person's Performance Spiro et. al. Ch 16	Week 13
	16	Ethical and Legal Responsibilities of Sales Mangers	2. Social, Ethical, and Legal Issues in Selling Futrell et. al. Ch 15	

<b>Study for and write final exam</b> Final Exam Value: 40% of total grade.	Weeks 14 and 15
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### 3. Method of Evaluation

Assignment 1: Developing a Sales Account Plan (Lesson 3)	20%
Assignment 2: Sales Rep Recruitment (Lessons 4 and 5)	20%
Assignment 3: Developing a Sales Forecast (Lesson 11)	20%
Final Exam (Cumulative):	40%

Students must achieve a minimum of 50% overall to pass this course. They must also achieve a score of 50% on the final exam to pass the course.

**Assignment 1** has three main purposes. First, the assignment will provide students with an opportunity to apply the theoretical concepts associated with the strategic planning process. Second it will give students an opportunity to implement the SPIN selling formula. Third it will provide students with practical experience in developing a customer account plan.

**Assignment 2** will enable the student to experience the real-life process that sales managers go through when recruiting a new sales person. In this assignment the student will identify the personality characteristics and technical skills required for a sales job. Next, the student will evaluate a set of resumes to determine which applicants should be brought in for an interview.

**Assignment 3** involves the development of a sales forecast. In many instances companies lack historical sales data required to make a quantitative or mathematical sales forecast. In the absence of historical data, qualitative forecasting methods are used. In this assignment students will select a product and develop a qualitative sales forecast based on the market-factor derivation method.

## 4. Course Development Projected Timetable

The following shall be completed by January 2, 2007:

1. Write Article titled, How SPIN Selling Relates to the Consultative Selling Model.
2. Part 1 - Introduction to Sales Force Management (Lessons 2, 3 and 4)
3. Part 2 - Organizing, Staffing and Training a Sales Force (Lessons 5, 6 and 7)
4. Part 3 - Directing Sales Force Operations (Lessons 8, 9, 10 and 11)
5. Part 4 - Sales Planning (Lessons 12 and 13)
6. Part 5 - Evaluating Sales Performance (Lessons 14, 15, 16 and 17)
7. Develop three copies of final exams and marking guides, plus one version of a 100% challenge exam with marking guide.
8. Develop marking rubrics for assignments 1, 2 and 3.

## 5. Marking Time Requirements

<b>Activity</b>	<b>Time</b>
Grading Assignment 1 – Developing a Sales Account Plan	0.75 hour
Grading Assignment 2 – Sales Rep Recruitment	0.75 hour
Grading Assignment 3 - Developing a Sales Forecast	0.75 hour
Grading the final exam	0.75 hour
Total grading time 3 hours	



# 6. Sample Lesson

## Lesson 1

### How to Complete the Lesson

- Read the learning objectives.
- Read Introduction to Sales Force Management pp. 2 – 5.
- Read Introduction to Sales Force Management - chapter 1 in Management of a Sales Force pp. 7 – 27.
- In Chapter 1 The Field of Sales Force Management there is a section titled The Nature of Sales Jobs (pp. xx). **Do not read this section.** Rather, read the PDF file titled Types of Selling (pp. 8-10) by David Jobber and Geoff Lancaster from [Selling and Sales Management](#). 7<sup>th</sup> Edition.
- Work through the Practice with Feedback questions at the end of the chapter and compare your answers to the suggested answers provided.
- Complete the interactive key concepts and terms online review activity.

### Overview

Lesson 1 introduces the field of personal selling and sales force management, including a list of the basic terminology and concepts that you will need to know for the rest of the lessons.

Creating a concept map of the main ideas may make it easier for you to see the connections between the various concepts in this lesson as well as providing you with a useful review tool to prepare for the cumulative final exam. There are numerous tools available online to create concept maps. Some of these tools are listed in the **Resources** (make this a link) section of this lesson.

You may also wish to try the Lesson 1 interactive key terms and concepts review activity (insert link here) before completing the lesson activities and readings in order to gauge your prior knowledge of this essential content.

Once you have worked through the lesson activities, you can try the interactive key terms activity again to self-assess your progress in attaining this knowledge.

### Objectives

After completing Lesson 1 you will be able to: (page and Lesson Note references to be added behind the objectives once they have been finalized):

1. Define the key terms and concepts for this lesson (insert link to interactive activity).
2. Differentiate between an outside sales force and across-the-counter selling.(p. )
3. Explain how the personal selling function relates to the marketing mix and promotional mix. (p. )

4. Describe the difference between relationship selling and transactional selling.
5. Describe the three main types of sales jobs and the nine subcategories (Jobber and Lancaster, pp. 8 –10).
6. List the six main management responsibilities of sales managers (p. x, Figure 1-5).
7. Provide examples of seven ways in which the modern philosophical approach to managing sales people has changed the role and skills required of sales managers (pp. ).
8. Identify one main reason why successful salespeople may fail to become successful sales managers. (pp. )
9. Discuss the importance of personal selling to (pp. ):
  - the production of products and services and employment in the Canadian economy
  - the success of sales and market planning and operating expenses in an individual organization
  - undergraduate students studying marketing
10. Provide five examples of activities in which a sales rep. could act as a marketing consultant: (Lesson Note 1.):
11. Provide six examples of instances where a sales rep. may be engaging in managerial activities (Lesson Note 1.):

**Key Terms and Concepts with Definitions** (to be adapted into an interactive online activity)

**Across-the-Counter Selling:** A selling situation where the customer understands his/her need and how to satisfy that need. Typically, in across-the-counter selling the customer goes to the seller's premises to make the purchase.

**Consultative Seller:** This type of sales rep uses relationship selling techniques to demonstrate how his or her company's products will contribute to the customer's well-being or profit. They are creative, problem-solvers, who serve as consultants to their customers.

**Consumer salespeople:** Consumer salespeople are a subcategory of order-getters and front-line salespeople. These sales people sell to household consumers. Much of the selling in this category tends to be "one-time" purchases such as cars, security systems and insurance.

**Delivery Salespeople:** The sales person's task is primarily concerned with delivering the product. For example, a person may deliver a pallet of Coca Cola to a store and then take an order for a second delivery the following week.

**Inside order taker:** Here the customer has full freedom to choose products without the presence of a salesperson. The sales assistant's (salesperson) task is purely transactional – receiving payment and passing over the goods to the customer.

**Marketing mix:** The combination of the four elements that constitute the core of a company's marketing system. The four elements of the marketing mix include the product, price, distribution and promotion.

**Merchandisers:** Merchandisers are a subcategory of order getters and sales support salespeople. These sales people provide sales support in retail and wholesale situations by giving advice on display set-up, implementing sales promotions and stocking shelves.

**Missionary salespeople:** Missionary sales people are a type of order-creator. The sales task is not to close the sale but rather, to persuade the person being called on to specify or recommend the seller's products to the actual buyer.

**New business salespeople:** New business salespeople are a subcategory of order-getters. The task is to win new business by identifying and selling to prospects who have not bought from the company before.

**Order-creators:** Order creators do not directly receive orders since they talk to specifiers rather than the end buyer. Specifiers play a consultative role and make recommendations and specify standards to buyers.

**Order-getters:** Order getters attempt to persuade customers to place an order directly. These are front-line sales people. Within this category there are two subgroups of sales people; front-line sales people and sales support people.

**Order takers:** A type of sales person who sells to customers who have already identified a need for a product or service. There are three types of order takers; inside order takers, delivery sales people and outside order takers.

**Organizational salespeople:** Organizational salespeople are a subcategory of order-getters. These salespeople have the job of maintaining close, long-term relationships with organizational customers (i.e. other businesses, schools and government).

**Outside order takers:** These salespeople visit customers and take new orders. Their primary function is to respond to customer requests rather than to persuade the customer to buy additional or different products. Outside order takers do not deliver the product.

**Outside sales force:** A sales force that calls on prospective customers in their homes or at their place of work.

**Promotional mix:** The combination of methods that companies use to communicate with their customers. Elements of the promotional mix include personal selling, advertising, public relations, publicity, direct marketing and sales promotion.

**Sales force management:** The management of the personal selling component of an organization's promotional program.

**Technical support salespeople (TSS):** TSS are a subcategory of order-getters and sales support salespeople. This group of salespeople provides technical support to front-line salespeople (new business, organizational and consumer salespeople).

## Resources

- Mandatory Reading:

Chapter 1 The Field of Sales Force Management.

Spiro, Rosann L, Stanton, William J, Rich, Gregory A. (2003) Management of a Sales Force. 12<sup>th</sup> Edition, McGraw-Hill Irwin.

Jobber, David., Lancaster, Geoff., (2006) Selling and Sales Management. 7<sup>th</sup> Edition., pp. 8 – 10. Pearson Education.

- Optional Resources

Concept mapping tools:

- (free tool) <http://cmap.ihmc.us/>
- Microsoft Draw (use the Draw toolbar in Word, Excel or Powerpoint)
- (free trial download) <http://www2.smarttech.com/st/en-US/Products/SMART+Ideas/default.htm>
- (free trial download) <http://inspiration.com/>
- (free tool) <http://www.compendiuminstitute.org/tools/compendium.htm>

**Lesson notes** – Since no new information should be introduced in the feedback portion of the practice questions, the course author will create lesson notes once he receives a copy of the finalized edition of the textbook from the publisher. The feedback will then be in the form of references back to the applicable lesson notes.

## Practice with Feedback –

Answer the following questions and compare your answers to the suggested answers provided.

**Question 1(Obj. 2): What is an outside sales force? Is this type of sales force used only by producers and wholesalers? Is it used only in business-to-business selling?**

An outside sales force is one in which the salespeople call on the prospective customers. That is, the reps go to the customers. This is in contrast to across-the-counter selling in which the customers come to the salespeople. An outside sales force is used largely by producers and wholesalers -- but not entirely. In a limited number of retailing situations, the salespeople sometimes go to the customers. For example, some automobile salespeople will call on prospective customers, rather than waiting for the customers to come to the auto dealer's showroom.

An outside sales force is not limited to business-to-business selling. Sales reps for insurance companies, for example, will call on household consumers. Outside sales forces are used frequently by nonprofit organizations in fund raising efforts, in which case many of the reps will call on household consumers (non-business selling).

**Question 2(Obj. 3): How does the personal selling function relate to the marketing mix?**

There are four components of the marketing mix. These components include product, price, distribution and promotion. Promotions are the communication function of the marketing mix. More specifically, the role of promotions is to communicate how the marketing mix will meet the needs of the target market. Personal selling is a subcomponent of promotions.

**Question 3(Obj. 4): How does relationship-oriented selling differ from transaction-oriented selling?**

In *relationship-oriented selling*, salespeople concentrate their efforts on developing trust in a few carefully selected accounts over an extended period of time. The goal of this type of selling is to develop mutually beneficial, long-term relationships. These relationships are based on trust, reliability, commitment, and cooperation on the part of both the buyer and seller. In *transaction-oriented selling* salespeople focus on the immediate sale rather than on the relationship with the customer. The goal is to maximize short-term sales.

**Question 4(Obj. 5): Based on the classification of order-takers, order-creators and order-getters answer the following questions:**

**a) In which types of jobs is the sales rep most free of close supervision?**

Salesperson is probably most free from close supervision in the higher numbered job classifications -- for example: where the major emphasis is placed on technical product knowledge; or where the position requires creative selling of products or services.

The following factors would tend to reduce the amount of supervision of a salesperson: (1) large territory requiring considerable travel, (2) paid by straight commission, (3) does not follow repetitive route, (4) not operating from home or branch office, and (5) infrequent need for home office assistance.

Two types of jobs fitting those factors are door-to-door consumer selling and selling to retailers on highly selective basis. For example, many women's ready-to-wear sales reps see their sales managers only four times a year.

**b) Which types of jobs are likely to be the highest paid?**

The category of order-getters contains the highest paid salespeople. They often incur the greatest sales expenses and spend the most amount of time developing and nurturing relationships before a sale is made. They also require a greater level of selling skills. For these reasons they are often compensated at a higher level.

**c) For which types of sales job(s) is a high degree of self-motivation necessary?**

Jobs requiring creative salesmanship require the most motivation. The salesperson must contact individuals who do not recognize that they presently need his or her product, and she/he must proceed to show them they have a need for it. She/he must then create the desire to satisfy that need. In situations where the prospect fully realized she/he needs a product and is just about ready to buy, less motivation is required. In general, order-getters require the highest degree of motivation of all. One could tie the percentage of prospects sold to the need for motivation by saying that basically the more times a sales rep is going to fail to sell, the higher the motivation must be for him or her to make the next call. Salespeople who obtain an order on almost every call usually require very little motivation to do their jobs. However, a sales rep who must make 20 calls in order to get one order must usually be strongly motivated in order to do all that work for one sale.

**Question 5(Obj. 6): Which of the following items is a main management responsibility of sales managers (multiple choice)?**

- To be completed

**Question 6(Obj. 7): Old style sales managers who were demanding, controlling, volume-oriented are disappearing. To be a successful in today's market place sales managers have had to adapt their strategies, management style and attitudes. What are seven ways sales managers have changed?**

Answer: Some of the ways sales managers have had to adapt include:

- (a) Developing a detailed understanding of their customers' business.
- (b) Treating salespeople as equals and working with them to achieve profitability and customer satisfaction.
- (c) Applying flexible motivational tools to a hybrid sales force of telephone salespeople, direct marketers, and field sales people.
- (d) Keep up-to-date on the latest technologies affecting buyer-seller relationships.
- (e) Working with other internal departments as a member of the corporate team seeking to achieve customer satisfaction.
- (f) Continually seeking ways to exceed customer expectations and bring added value to the buyer-seller relationship.
- (g) Creating a flexible learning and adapting environment.

**Question 7(Obj. 8): Why do many successful salespeople fail to become successful sales managers?**

The technical skills, knowledge and personality traits required for a sales manager is different than the technical skills, knowledge and personality traits of a sales rep.

For this reason, successful salespeople often fail to become successful sales managers.

**Question 8(Obj. 9) Describe the importance of personal selling to the Canadian economy and you the individual.**

It has been said that nothing happens until someone sells something. Because of selling, jobs are created in the manufacturing, transportation and advertising sectors. Also, it is estimated that 12% of the working age population is employed in sales positions.

Selling is also important to many students as sales positions are highly ranked in the professional occupations available in the job market. Many students will begin their career in

a sales position. As the graduate gains experience they are often promoted to executive level positions such as a sales supervisor or district sales manager, therefore knowledge of personal selling and sales management could be vital to your career aspirations.

**Question 9(Objs. 10 & 11): Today's professional sales representative is a marketing consultant and a manager of a market – his/her territory. Explain how a sales rep can be a marketing consultant and a manager.**

Here are a few examples of a sales rep acting as a marketing consultant:

- a. Providing a customer with the latest information on a new product.
- b. Informing a customer on new industry trends.
- c. Working closely with customer personnel in designing solutions to customer problems.
- d. Helping customers "network" with others in the industry.
- e. Training customer personnel on the proper use/application of products/techniques.

Here are a few examples of a sales rep engaged in managerial activities:

- a. Determining what prospective new accounts to call on.
- b. Deciding on a call frequency for each existing account.
- c. Planning the routing schedule for territorial coverage.
- d. In some cases, a rep may have authority to negotiate prices within limits set by higher management.
- e. Manufacturers' salespeople may train the reps working for wholesaler and/or retailer customers.
- f. Do some sales forecasting, as part of the sales-force-composite method of forecasting.

### **Learning Activities –**

1. Go to [salesjobscanada.com](http://salesjobscanada.com) and familiarize yourself with the different types of sales positions. Try to distinguish between sales support, sales maintenance and sales development positions. Also, try to determine what types of personalities might be best suited for the different sales jobs.

2. Go to the Government of Canada Job Futures website and see the salary range of different sales jobs.

URL: <http://www.jobfutures.ca/noc/browse-occupations-alphabet.shtml>

# Assignment 1: Developing a Sales Account Plan - Draft

This assignment is to be worked on after you have completed lesson 3. It is worth 20% of your final mark.

## Assignment Rationale

This assignment has three main purposes. First, the assignment will provide you with an opportunity to apply the theoretical concepts associated with the strategic planning process. Second it will give you an opportunity to implement the SPIN selling formula. Third it will show you how a sales account plan is developed.

***Please note that not all sections of the template must be completed for this assignment. The non-required sections have been provided for information purposes only, in order to show you what an actual sales account plan might look like. The template and assignment notes clearly indicate which sections do not need to be completed for this assignment.***

The relevant theoretical concepts that are to be applied in this assignment are described in the following readings:

1. Spiro, Rosann L, Stanton, William J, Rich, Gregory A. (2008) Management of a Sales Force. 12<sup>th</sup> Edition, McGraw-Hill Irwin. (Chapter 2)
2. Manning, Gerald L., Reece, Barry L., MacKenzie, Herb. (2006) Selling Today. Fourth Canadian Edition, Pearson Prentice Hall. (Chapter 1 Personal Selling Today; Introduction and Overview. pp. 4 – 28) and (Chapter 4 Communication styles pp. 78-102).
3. Rackham, Neil. (1988) SPIN Selling. McGraw-Hill Inc. (Chapter 4 The SPIN Strategy pp. 67-98.)

## Instructions

1. Select a real existing product or service you would like to sell to an organizational buyer (a business).
2. Select a real business that you would like to sell this product to.
3. **Part 1 – Company Background Information.** Follow the account plan template. Research the information areas and record your findings on the template provided. To collect the information required you may use secondary sources such as company annual reports and newspaper articles. You may also interview people from the company if necessary.



**Part 1.2** - Account class refers to whether the prospect/buyer is or has the potential to become a high, medium or low volume buyer. An “A” class account is or has the potential to become a high volume buyer. A class “B” account is or has the potential to be a medium volume buyer. A “C” class account is or has the potential to become a low volume buyer. This designation is important because the time and money you invest and, your strategies and tactics will vary depending on the expected return from each customer class.

**Part 1.6** - Competitors are defined as companies that offer the same or similar products/services to the same target market in the same geographic region. The boundaries of the geographic region are based on how far the customer will go to make a purchase. For example, a person from Edmonton is most likely to buy a new vehicle from a dealership in Edmonton. Therefore the geographic region would be Edmonton and the competitors would be only those companies whom operate in Edmonton.

In the event there are no competitors in the geographic region, simply state there are no competitors. If there is lots of competition list the top 5 competitors and state what their main strength are (i.e. low price, free delivery, financing, don't pay a dime until 2008).

**Part 1.7** - It is unlikely that you will be able to complete this section. Therefore you can leave it blank. It is included only to show you that it is a section within an account plan.

On the final exam you may be required to explain why sales people collect this information.

**4. Part 2 – Main Contact Personal Information.** The primary contact is a real existing person to whom you would be making the sales presentation. As this is only an assignment it is not expected that you acquire detailed personal information about an organization's primary contact. Simply record the primary contact's name, position and office telephone number. If you are collecting this information by telephone, please inform the contact that you are a university student who is working on a sales assignment.

**Do not complete the personality profile section.** It is included only to show you that it is part of a typical account plan and the primary contact's profile.

Even though you do not need to complete the personality profile section for this assignment, you may be required to demonstrate your understanding of the concepts of personality profiling on the final exam by describing how this information influences a sales representative's approach.

## 5. Part 3 - Account Plan Objectives, Strategies and Tactics.

**Part 3.1** – Develop strategies and tactics to develop and maintain a business relationship. The objectives have been provided for you.

Rapport development is a component of the Approach stage in the consultative selling model. Sales reps must have a basic level of rapport before the buyer will feel comfortable answering the questions that the sales rep asks.

**Objective #4** - Top of mind awareness refers to a sales rep, product or company being part of the consumer's evoked set. An evoked set is a limited number of products or service providers that comes to mind when a person has a need for a product or service. For example, a person may have an evoked set of colas as follows: Coke, Pepsi, RC Cola, and President's Choice Cola. Sales people do not want their customers to forget about them or their company. You want your company to be included in the consumer's evoked set.

**Part 3.2** – Develop a series of interview/assessment questions based on the SPIN formula. It is acceptable to make assumptions about the buyer's situation. When making assumptions please list your assumptions in Appendix A. Make sure the questions you ask are diagnostic and help you diagnose a perceived problem or need that the buyer has.

**Objective #1** - It is important to remember that consumers are motivated to buy for reasons beyond the product itself. They may buy for a variety of reasons such as price, convenient delivery schedules, promotional support, security, warranties and guarantees among others. Thus, when thinking about unmet needs think about more than just the product.

While situation questions are important, the more situation questions you ask the buyer the less likely you are to make the sale. This is because asking too many situation questions annoys the buyer. The recommendation is to find basic factual information from alternative sources, i.e. company website and annual reports. Ask the buyer only a few select situational questions that could not be answered from alternative sources.

**Objective #2** - Problem questions can be quantitative (financial) or qualitative (non-financial). Their purpose is to reveal the buyer's implied needs, clarify the buyer's difficulties and dissatisfactions, and gain a shared understanding of the buyer's problems.

You only want to identify problems to which you can offer a solution.

**Objective #3** - Implication questions develop implied needs into explicit needs. The main purpose of implication questions is to help the buyer understand the real significance of the problem so that the buyer sees the problem as something that should be resolved.

People often do not understand the difference between Implication questions and Need Pay-off questions. Implication questions are problem-centered. That is, they are

negative and make the buyer sad. Whereas Need Pay-off questions are solution-centered. They are positive and make the buyer happy.

**Objective #4** - Need Pay-off questions should clarify the existence of an explicit need and, clarify that it is important for the buyer to resolve their problem or unmet need. In addition, Need Payoff questions could invite the buyer to specify additional payoffs not previously mentioned.

**Part 3.3** – Develop presentation objectives, strategies and tactics. Generally, presentation objectives should be aimed at proving to the buyer that you can resolve their unmet need or problem they have. You may also have objectives, strategies and tactics that promote an image of credibility and reliability.

6. This project should also include:

- Title page (Course name, assignment name and number, student name, i.d.#)
- Appendix B – Assumptions
- Reference Page: Please format your references correctly according to APA (American Psychological Association) style. Some useful APA referencing resources can be found at :

Purdue University: <http://owl.english.purdue.edu/owl/resource/560/01/>

Athabasca University Library Help Centre – Citing and Referencing:  
<http://library.athabascau.ca/help.php?id=1>

## **Assignment # 2**

### **MKTG 450 Sales Force Management**

### **Sales Rep Recruitment Assignment**

### **Draft**

This assignment is to be worked on after you have completed lesson 3. It is worth 20% of your final mark.

#### **Rationale:**

Recruiting new sales reps can be a time consuming and expensive process. If not done properly good applicants may be screened-out while less qualified applicants may be brought in for an interview or even hired.

When a sales manager reviews resumes from applicants, they need to assess a combination of technical skills, knowledge and personality traits. This assignment will simulate the process that managers go through when reviewing resumes and developing a short-list of candidates to interview.

#### **Assignment Instructions:**

1. You have been provided with a job description and ten resumes.
2. Review the resumes relative to the job description.
3. Develop a score sheet to rate the applicants based on the job requirements as identified in the job description.
4. Score the applicants on the sheet you have developed.
5. In a report format similar to the sample provided, identify the top three candidates that should be brought in for an interview. Provide a brief rationale stating your reasons why you feel each of them may be a good candidate. Do not simply restate the applicant's skills, knowledge and personality characteristics, but rather identify how the characteristics relate to the job criteria.
6. For each individual, identify which technical skills, knowledge and personality traits you are unable to assess by reviewing the resumes alone. Make recommendations on how you might collect the remaining information.
7. This assignment should be 7 to 10 pages in length, double spaced, using a 12 point font.  
This page count includes the title page and table of contents.
8. Please use APA style referencing.

## Assignment #3 - Developing a Sales Forecast - Draft

This assignment is to be worked on after you have completed lesson 11. It is worth 20% of your final mark.

### Assignment Rationale

In many instances companies lack historical sales data required to make a quantitative or mathematical sales forecast. In the absence of historical data, qualitative forecasting methods are used. In this assignment you will make a qualitative forecast using the market-factor derivation method of forecasting.

This assignment will reinforce the following forecasting principles described in your readings:

1. The sales forecast is relative to a specific target market.
2. The sales forecast must be for a specific geographic region.
3. The sales forecast must be for a specific time period.

### Instructions

1. Select a product that would be purchased by a household consumer. Examples include a car, household appliances, big screen TV and, stereo equipment.
2. Specify the dates the forecast will cover. The forecast should cover a period of 12 months.
3. Develop a target market profile. In this profile you must include 3 demographic, characteristics of the target market and the geographic region where the target market resides. If appropriate, you can also mention a few psychographic and behavioral characteristics. Marks will not be deducted if you do not have psychographic and behavioral characteristics.
4. Use the market-derivation factor method to forecast sales. As part of this process identify and describe 4 to 5 market factors that influence the demand for the product or, are somehow related to demand for that product.
5. Develop a sales forecast for the entire market in the geographic region you selected (not the company sales potential or company sales forecast).
6. This project should have a title page, table of contents and a reference page, using APA style.
7. Please include a brief executive summary that outlines the purpose and outcomes of this forecast.
8. This project should be no more than 10 pages long, double spaced, using a 12 point font. Title page, table of contents, executive summary and referencing are included in this page count.

Athabasca University  
MKTG 450 Sales Force Management  
Sample Final Exam

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