Power of Selling Version 2 2nd edition Richmond Test Bank

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Chapter 2
Exploring Careers in Sales

Multiple Choice Questions

1. Without this trait, a salesperson cannot build trust_____.
   a. character
   b. communication skills
   c. relationship building skills
   d. the “gift of gab”
   e. learning
   a; Easy

2. A good salesperson uses his _____ skills to connect with a customer.
   a. technical
   b. personal
   c. job
   d. professional
   e. societal
   b; Easy

3. What is the most important aspect of selling?
   a. talking
   b. technical skills
   c. listening
   d. societal skills
   e. note taking
   c; Easy

4. Which of the following about salespeople is false?
   a. Great salespeople set goals for themselves, achieve them, and celebrate those achievements.
   b. Great salespeople visualize what they want, then put together a plan to get it.
   c. Salespeople have to be students of the business.
   d. Salespeople are “made” because they have the title.
   e. Salespeople must not only have product knowledge; they must also learn skills that will make them more effective as salespeople.
   d; Moderate

5. Which of the following is true?
   a. Most customers don’t want the salesperson to ask for their order.
   b. Successful salespeople should be wary when asking for an order.
   c. Great salespeople go beyond the norm to explore and test the waters.
   d. The salesperson will hear “Yes, I’ll take it” more frequently than “no.”
   e. Successful salespeople can set themselves apart by not taking too many business risks.
   c; Moderate

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6. Which of the following statements is true?
   a. Few sales positions require independence, self-motivation, or discipline.
   b. The traits of independence, self-motivation, and discipline are not complementary.
   c. Independence is most important when you are talking to customers via telephone.
   d. Having independence means that you set your schedule and do what you need to do to meet your sales goals.
   e. Independence means that you have to be able to manage your time with the help of your bosses and colleagues.

   d; Moderate

7. Which of the following about the importance of flexibility in sales is true?
   a. You have to be flexible based on your needs.
   b. Most sales positions are 9-to-5 jobs.
   c. You have to be available when your customers want to buy.
   d. Being flexible does not have any advantages.
   e. Being flexible is the most important characteristic of a salesperson.

   c; Moderate

8. _____ is the element that sets you apart from other salespeople and makes your prospects and customers believe in you and your product or service.
   a. passion
   b. flexibility
   c. authority
   d. self-motivation
   e. discipline

   a; Moderate

9. Why is a growth mindset important in sales?
   a. It keeps a salesperson from failing.
   b. Growth is good in sales.
   c. It makes a salesperson less risk averse.
   d. It helps salespeople realize what they are good at and what they are not good at.
   e. It means that customers will be more open minded to ideas from salespeople with a growth mindset.

   c: Moderate

10. Emotional intelligence is _____.
   a. the skills, technologies, and practices used to support decision making also known as business intelligence.
   b. a good way to approach and to follow up on sales.
   c. the ability to execute a sale.
   d. the ability to create a rapport and build trust.
   e. the gift of gab.

   d; Moderate

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11. The role of a salesperson can be summed up in one sentence: “Salespeople are _____.”
    a. order-takers
    b. distribution channels
    c. order-getters
    d. value creators
    e. people developers
    d; Moderate

12. If you go to the Apple store, at virtually any hour it is filled with customers. The salespeople are not just those that are pushing a product, hoping that you buy so that they make their sales quota; they are experts who know everything about the products in the store. These salespeople are examples of _____.
    a. people developers
    b. order-getters
    c. value creators
    d. order-takers
    e. distribution channels
    c; Moderate

13. Which of the following would most likely be performed by a customer service representative?
    a. prospect for new customers
    b. meets with customers at their business
    c. has specific product knowledge, especially about technical products
    d. takes orders and provides product information
    e. meets new customer acquisition goals
    d: Moderate

14. *The Seven Habits of Highly Effective People,* a best-selling book by Stephen Covey, identifies which of the following as one of the seven habits?
    a. don’t waste time by checking your phone.
    b. don’t stop to make small talk; stay on your schedule.
    c. begin with the end in mind.
    d. be sure to complete the tasks that will help you the most.
    e. always return customer phone calls within 24 hours.
    c: Moderate

15. Yolanda likes to be her own boss because the hours are flexible and she can work from home. That’s why she is a representative for Mary Kay Cosmetics. This describes which of the following selling situations?
    a. missionary selling
    b. order-taking
    c. direct selling
    d. pyramid selling
    e. retail selling
    c: Easy

16. When compensation is determined based on the results delivered, it is called _____.
    a. gainsharing
    b. pay-for-performance
    c. salary cap
    d. living wage

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e. overtime rate

b; Easy

17. Which of the following about sales is true?
    a. Being in sales does not make one necessarily responsible for the future of the company.
    b. Sales is considered a “salary cap” profession.
    c. In sales, you can determine your income because it is usually limited to a specific number.
    d. Selling could give you the satisfaction of providing solutions to people.
    e. In most sales positions, you only earn a salary.

    d; Moderate

18. Intel sells computer chips to Toshiba to manufacture laptop computers. This is an example of _____ selling.
    a. creative
    b. B2B
    c. missionary
    d. B2C
    e. indirect

    b; Easy

19. When Amazon sells web services, such as cloud computing to companies, it is _____ personal selling.
    a. B2B
    b. B2G
    c. B2E
    d. B2C
    e. C2C

    a; Moderate

20. Which of the following is an example of B2B selling?
    a. a waiter taking your order at a restaurant.
    b. a salesperson helping you find jeans in your size at American Eagle Outfitters.
    c. Best Buy selling Whirlpool washers and dryers to consumers.
    d. a real estate agent showing you a house.
    e. a fabric company selling cotton fabric to Gap to make their T-shirts.

    e; Moderate

21. Which of the following is an example of B2C selling?
    a. Whirlpool sells washers and dryers to Sears and makes them to the specifications determined by Sears for the Kenmore name.
    b. a fabric company sells cotton fabric to Gap to make their T-shirts.
    c. a salesperson helps you find jeans in your size at American Eagle Outfitters.
    d. going to McDonald’s and a salesperson asks you if you want fries with your order.
    e. Intel sells computer chips to Toshiba to manufacture laptop computers.

    c; Moderate

22. In comparing B2B with B2C selling, B2B selling
    a. involves much smaller purchases.

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b. means that a company is selling a product directly to you as the ultimate consumer.
c. are smaller in value than consumer purchases.
d. engages with fewer customers.
e. has a shorter selling process.

d; Moderate

23. In comparing B2B with B2C selling, B2C selling:
    a. has relatively few potential customers.
    b. involves larger purchases.
    c. involves a relatively short selling cycle.
    d. involves multiple influencers and decision makers.
    e. involves more difficulty in identifying influencers and decision makers.

    c; Moderate

24. Transactional selling:
    a. efficiently matches the customer's needs in an operational manner.
    b. involves a long-term or ongoing relationship between the seller and the buyer.
    c. involves the salesperson providing ideas to the customer based on customer needs.
    d. occurs when the salesperson changes behavior during a customer communication to positively impact the outcome.
    e. occurs only in B2C situations.

    a; Moderate

25. Consultative selling is also called _____.
    a. transactional selling
    b. adaptive selling
    c. relationship selling
    d. procedural selling
    e. operational selling

    c; Easy

26. Relationship selling:
    a. takes place when there is a short-term relationship between the customer and the seller.
    b. is also called transactional selling.
    c. efficiently matches the customer's needs in an operational manner.
    d. takes place only in B2C environments.
    e. occurs when the salesperson takes on the task of truly understanding the customers' needs and providing solutions to meet those needs.

    e; Moderate

27. Adaptive selling:
    a. efficiently matches the customer's needs in an operational manner.
    b. is the type of selling in which a salesperson changes behavior during a customer communication to positively impact the outcome.
    c. occurs when buyers and sellers work together to create opportunities for both companies that would not exist without the relationship.
    d. takes place only in B2B environments.
    e. is also called transactional selling.

    b; Moderate

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28. Strategic alliance:
    a. is also called transactional selling.
    b. is also called consultative selling.
    c. is also called adaptive selling.
    d. involves buyers and sellers working together to create opportunities for both companies that would not exist without the relationship.
    e. efficiently matches the customer's needs in an operational manner.
    d; Moderate

29. An inside salesperson:
    a. is also called a relationship seller.
    b. generally is the primary driver of sales and costs of sales.
    c. performs selling functions, but does not actually meet with the customer face-to-face.
    d. rarely, if ever, meets face-to-face with customers.
    e. interacts with customers by phone, email, text, or social networking.
    d; Moderate

30. An outside salesperson:
    a. usually works inside the office.
    b. rarely, if ever, meets face-to-face with customers.
    c. performs selling functions such as providing information, and taking orders.
    d. usually provides more tactical selling functions such as providing product information, and follow-up on details.
    e. meets face-to-face with customers and performs a variety of sales functions.
    e; Moderate

31. Which of the following about inside and outside salespeople is true?
    a. Today, many companies are converting inside salespeople to outside salespeople to further reduce selling costs.
    b. For many B2B and B2C companies, the inside salespeople are generally the primary drivers of sales and costs of sales.
    c. Companies have traditionally used outside salespeople because they are part of a strategy that helps keep selling costs low.
    d. Advances in technology are blurring the lines between inside and outside salespeople by providing platforms for inside salespeople to be more collaborative and consultative.
    e. Outside salespeople usually provide more tactical selling functions such as providing product information, follow-up on details, and keeping the customer informed of basic information.
    d; Moderate

32. Sales associates _____.
    a. are experts in a specific product or service area
    b. participate in sales calls after the customer shows an interest to demonstrate use and applications of the product
    c. provide outbound calls to customers to follow up
    d. take orders, process orders internally, and follow-up as necessary with the customer
    e. identify and develop new customers
    e; Moderate

33. Which of the following about the Customer Relationship Manager is true?

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a. This role is usually a part of selling organizations that provide long-term professionals services.
b. The Customer Relationship Manager is an expert in a specific product or service area.
c. The Customer Relationship Manager participates in sales calls after the customer shows an interest to demonstrate use and applications of the service.
d. The Customer Relationship Manager takes orders, provides product information, processes orders internally, and follows up as necessary with the customer.
e. The Customer Relationship Manager is responsible for a group of customers with primary responsibility to develop and maintain close relationships with existing customers.

a; Moderate

34. Who amongst the following is responsible for providing outbound or inbound contact with customers over the phone?
a. Technical Specialist
b. Telesales Representative
c. Customer Relationship Manager
d. Business Development Manager
e. Sales Representative

b; Moderate

35. A salesperson who consummates sales by undertaking orders from customers is a(n) _____.
a. transactional seller
b. order-getter
c. inside salesperson
d. order-taker
e. adaptive seller

d; Moderate

36. A salesperson who develops sales through relationship selling and repeat sales is a(n) _____.
a. order-taker
b. transactional seller
c. order-getter
d. inside salesperson
e. adaptive seller

c; Moderate

37. Which of the following is considered an order-taker?
a. Business development manager
b. Account manager
c. Territory manager
d. Customer relationship manager
e. Customer service rep

e; Moderate

38. Why are territory managers considered order-getters?
a. They actually work to develop a relationship and solve customers' problems on an ongoing basis.
b. They interact with customers to consummate a sale.

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c. Their role does not require planning or consultative selling.
d. They develop sales through transactional selling and repeat sales.
e. They are part of a strategy that helps keep selling costs low.

a; Moderate

39. Salespeople who contact key influencers and discuss product or service benefits are performing _____.
    a. adaptive selling
    b. transactional selling
    c. consultative selling
    d. missionary selling
    e. direct selling

    d; Moderate

40. The sale of a consumer product or service away from a fixed retail location is called _____.
    a. B2B selling
    b. direct selling
    c. B2C selling
    d. entrepreneurial selling
    e. global selling

    b; Moderate

41. A direct salesperson who distributes a company's products or services and earns income based on the sales is a(n) _____.
    a. transactional seller
    b. missionary seller
    c. inside salesperson
    d. outside salesperson
    e. independent business owner

    e; Moderate

42. Which of the following about multi-level marketing (MLM) is false?
    a. MLM is also called telemarketing.
    b. MLM operates on the principle that if you sell to your friends and they, in turn, sell to their friends, your opportunity to earn money expands significantly with every contact.
    c. Being a part of an MLM company can offer significant earning potential.
    d. MLM allows IBOs to invite other people to sell the products and earn money based on the sales of those they recruited.
    e. Many direct selling companies engage in multi-level marketing.

    a; Moderate

43. According to the video featuring Andrew Sykes, District Sales Manager at AstraZeneca, a pharmaceutical company, in Chapter 2, his best tip for time management is which of the following?
    a. return all phone calls within 24 hours
    b. don't be distracted by checking your phone frequently
    c. avoid social media while you're on the job
    d. set goals for the week and prioritize what it will take to achieve them
    e. do whatever it takes every day to make something happen

    d; Moderate

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44. Nadalie Unger is a new advertising sales rep at ESPN. She sells TV time (commercials) to companies like Gillette, Miller Beer, and other major companies that want to reach the viewers of ESPN. Her compensation is based on pay for performance—the more she sells, the more money she makes. Which of the following best describes her compensation?
    a. commission
    b. salary
    c. draw
    d. non-recoverable draw
    e. conversion KPI

    b; Easy

45. Jeff Rasmar is a new sales rep at JRM Commercial Realty. His compensation is straight commission. The company realizes that it will take him some time to develop his customer base before he will begin earning commission. Therefore, he will be paid a draw for the first three months. What does draw mean in terms of his compensation?
    a. He will earn a percentage of everything he sells.
    b. He will earn a salary plus a percentage of everything he sells.
    c. He will earn an advance against future earnings and bonuses.
    d. He will earn a bonus if he exceeds his sales plan.
    e. He will not get paid until he makes a sale.

    c; Moderate

46. Which of the following is the most common compensation method in sales?
    a. draw
    b. salary
    c. commission
    d. recoverable draw
    e. non-recoverable draw

    c; Easy

47. DeShawn Cummings is a sales rep for All Sports, a sporting goods manufacturer. He's excited because he had a great month in sales and is looking forward to receiving his commission check. He earns 1% on all of his sales. This month his sales were $400,000. Which of the following reflects the calculation for DeShawn's income the month?
    a. $400,000/1
    b. $400,000/.01
    c. $400,000*1
    d. $400,000*.01
    e. $400,000*30

    d; Easy

48. Heidi Putnam is a sales rep for Levi in the northeast. She reports to John Jankowitz, the sales manager. John also has 9 other sales reps that report to him that cover other territories in the eastern part of the country. This describes John's _____.
    a. leadership style
    b. management role
    c. span of control
    d. ability to control
    e. sales control

    c; Moderate

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49. A business practice that is not sustainable and involves the exchange of money simply for recruiting people to participate in a multi-level selling business without the benefits of sales is a(n) _____.
    a. adaptive scheme
    b. missionary scheme
    c. pyramid scheme
    d. consultative scheme
    e. transactional scheme
    c; Moderate

50. Which of the following best describes the purpose of a cover letter?
    a. to demonstrate your writing skills
    b. a cover letter doesn't have a purpose
    c. to add a page to your resumé
    d. to introduce yourself and your resumé
    e. to take the place of your resumé
    d; Moderate

51. A(n) _____ is a summary of a person's background and experience.
    a. cover letter
    b. essay
    c. résumé
    d. social style matrix
    e. brand story
    c; Easy

52. A _____ is the highlight of what your personal brand has to offer to prospective employers.
    a. brand point
    b. skills inventory
    c. mission statement
    d. brand story
    e. vision statement
    d; Easy

53. The first paragraph of a cover letter should always include which of the following?
    a. the purpose for writing the letter
    b. the position for which you are applying
    c. your references
    d. why you are the right person for the job
    e. a and b only
    e; Moderate

Fill in the Blanks

54. _____, the combination of your beliefs, tendencies, and actions that you take, is the single defining trait for a salesperson.
    Character; Easy

55. _____, encompassing independence, self-motivation, discipline, and flexibility, is the element that sets you apart from other salespeople.
    Passion; **Moderate**

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56. Even in these days of iPods and Pandora, WII-FM, which stands for _____, is a radio station that everyone listens to.
What's In It For Me; Moderate

57. Sales is considered a _____ profession.
pay-for-performance; Moderate

58. A strategic alliance is usually found in _____ environments.
B2B; Easy

59. Companies have traditionally used _____ salespeople because they are part of a strategy that helps keep selling costs low.
inside; **Moderate**

60. Network marketing is also called _____ marketing.
multi-level; **Moderate**

61. Just like for-profit businesses, _____ is the engine of non-profit organizations as well.
selling; Moderate

62. It is a good idea to have a final heading for _____ at the end of your résumé.
Skills; Easy

63. Your _____ points should help reinforce your brand points with details of how you delivered on those points.
bullet; Moderate

Short Answer Questions

64. What does a good salesperson use to connect with a customer?
Personal skills.
Easy

65. Why is listening, rather than speaking, the most important aspect of selling?
Speaking is not the most important aspect of selling—listening is, because "salespeople are communicators, not manipulators."
Moderate

66. Give some examples of the ability of salespeople to ask for orders.
"Would you like fries with your hamburger?", "What can I get you for dessert?", and "Would you like to pay with credit or debit?" are all examples of salespeople asking for the order.
Moderate

67. Compare and contrast business-to-business with business-to-consumer selling. Give one example of each.

Business-to-business (B2B) is when businesses sell products or services to other businesses for consumption by the ultimate consumer. For example, Whirlpool sells washers and dryers to Sears and makes them to the specifications determined by Sears for the Kenmore name, before they are sold in Sears and K-Mart stores.

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On the other hand, the transactions in which you as a consumer participate are business-to-consumer (B2C), which means that a company is selling a product or service directly to you as the ultimate consumer. In the example above, when Sears and K-Mart sell the Kenmore washers and dryers to consumers, it is B2C personal selling.
Moderate

68. Compare and contrast transactional with consultative selling. Give two examples of each.

When you go to McDonald's and a salesperson asks you if you want fries with your order, there is not much involved on the part of the salesperson. This is a selling situation that matches the needs of the buyer efficiently with the operation, but it does not require a personal relationship or detailed product information to consummate the sale. The product or service is of low dollar value, and no additional contact is required for the sale. This is called transactional selling, and it occurs in B2C situations, as well as B2B situations. On the other hand, consultative selling takes place when there is a long-term or ongoing relationship between the customer and the seller, and the salesperson takes on the task of truly understanding the customers' needs and providing solutions to meet those needs. Consultative selling takes place in both B2B and B2C environments. For example, if you were working with a financial advisor to develop a retirement plan, the advisor would be consulting you on the best ways to save and how to best invest your money. And she would adapt to your needs based on your feedback. If you told her, "I don't want to be in such high-risk investments," this would prompt her to adapt her selling behavior to better match your needs.
Moderate

69. What is missionary selling? Explain with at least one example.

If you were a doctor and an account manager from a pharmaceutical company called on you and discussed certain products with you so that you can then write prescriptions for your patients, that would be considered missionary selling because the sales rep would be telling you about the product, but you are not the ultimate purchaser. In this case, the sales rep is calling on you so that you adopt the product, and, as a result, your patients purchase the product.
Moderate

70. Briefly describe non-profit selling and what makes it different than any other type of selling.

Non-profit organizations are those that use their proceeds to re-invest in the cause and are granted "tax-exempt" status from federal and other taxes. Religious organizations, charitable organizations, trade unions, and other specifically defined organizations may qualify as non-profit. Fund-raising and the development of endowments are the lifeblood of non-profit organizations. If you have a passion for a particular cause and want to focus on making a contribution by choosing a career in the non-profit sector, you can find selling opportunities at many organizations. Although you may want to volunteer for some organizations before you make a career choice, there are paying career fund-raising and development positions in the non-profit sector.
Moderate

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71. Mention two pieces of information that should not be included on your résumé.

A few things that should not be included on your résumé are “References available upon request,” “Hobbies and Activities,” high school graduation or a photo. Prospective employers expect to check your references; you should have more substantial things to put on your résumé than hobbies and activities; and many companies cannot consider résumés with photos as it would be considered discrimination. As for high school graduation, it is assumed that you graduated from high school. It is not something that sets you apart.
Moderate

72. List the three major sections of a cover letter.
A cover letter has three major sections:
a. First paragraph—introduction and purpose for your letter
b. Second paragraph—why you think you will bring value to the company (this is where you include your brand points)
c. Third paragraph—closing and follow-up
Moderate

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