**Chapter 1**

**RELATIONSHIP SELLING OPPORTUNITIES IN THE INFORMATION ECONOMY**

 The two chapters that make up Part 1 establish a foundation for the entire textbook. Chapter 1 provides a contemporary definition and description of personal selling and describes information-age personal-selling career opportunities. Sales-training programs offered by academic institutions, sales-training companies, and employer-provided sales training are also presented. Chapter 2, in response to the developments associated with the information economy, presents the evolution of contemporary selling models that complement the marketing concept. Chapter 2 also introduces the major themes that connect all of the chapters.

# LEARNING OBJECTIVES: When you finish reading this chapter, you should be able to:

* 1.1: Define personal selling and describe the three prescriptions of a personal-selling philosophy.
* 1.2: Describe the emergence of relationship selling in the age of information.
* 1.3: Discuss the rewarding aspects of a career in selling today.
* 1.4: Discuss the different employment settings in selling today.
* 1.5: Explain how personal selling skills have become one of the master skills needed for success in the information age and how personal selling skills contribute to the work performed by knowledge workers.
* Identify the four major sources of sales training.

**CHAPTER SUMMARY:**

Chapter 1 introduces the concept of selling and its evolution over the past century and a half. From the initial way of peddling, to when the industrial economy transformed how goods/services were brought to the marketplace with the industrial revolution, to the information economy where the marketing concept was first created, to today’s digital age where data is king, sales has evolved as society and the marketplace changed over time. This chapter provides insight into the concept of personal selling and how it came about in the 1950s with the *marketing concept.* It then discusses how the information gathered provides the opportunity to create values for customers.

 The evolution of sales over time has changed how much the profession goes into the marketplace to meet the needs of customers. This chapter will introduce you to the various career opportunities in sales, defining channels, industries, and specific job titles that support the sales efforts in organizations.

**EXTENDED PRESENTATION OUTLINE**

Today’s workforce is made up of millions of knowledge workers who succeed only when they add value for the customer, using information and data to best understand what the customer needs/wants to create that value. Salespeople, and many other knowledge workers, add value to information when they collect it, organize it, clarify it, and present it in a convincing manner.

 As part of the Reality Selling Video Series, this chapter features Alex Homer from the Tom James Company, selling luxury clothing.

# Personal Selling – A Definition and a Philosophy LO 1.1

1. Definition: **Personal selling** occurs when a company representative interacts directly with a customer to present information about a product or service.
2. Personal selling is a process of:
3. Developing relationships;
4. Discovering needs;
5. Matching the appropriate products with these needs;
6. Communicating benefits through informing, reminding, or persuading.
7. A **product** is broadly defined as information, services, ideas, and issues.
8. Increasingly, personal selling is viewed as a process that adds value.
9. In an ideal situation, the salesperson:
10. Builds a mutually rewarding relationship;
11. Diagnoses the customer’s needs;
12. Custom fits the product to meet these needs.
13. Ensures the solution creates value and meets the needs to have a repeat purchase

5. Having knowledge of customer needs will:

 a. Establish credibility and trust;

b. Lead to higher customer satisfaction;

 c. Willingness to purchase a product.

1. Developing a **personal selling philosophy** includes three prescriptions, which are part of the Strategic/Consultative Selling Model:
2. Adopt the marketing concept;
3. Value personal selling;

## 3. Become a problem solver or partner.

## **II.** Emergence of Relationship Selling in the Information Economy **LO 1.2**

## A.Shifts from an industrial economy began in the 1950s to an information economy and now 70 years later has evolved to the **digital economy.**

## B. Major advances in information technology and electronic commerce allowed the ability to collect and understand data on individual customers, rather than just the marketplace at large.

C. Strategic resource is information.

1. Information is often too plentiful.
2. Salespeople help filter information.
3. Data collected today when used ethically creates more value for customers than in previous history.

D. Business is defined by customer relationships.

1. The *real* new economy is the customer economy.
2. Customers have taken more control of their destinies and have more access to information than before.
3. Relationships build a conduit of trust for information exchange.

E. Sales success depends on adding value.

1. **Value-added selling** is defined as a series of creative improvements in the sales process that enhance the customer experience.
2. Salespeople can create value by:
3. Developing a quality relationship focused on trust and providing value.
4. Carefully identifying customer needs.
5. Configuring and presenting the best possible product solution.
6. The value added by salespeople today is increasingly derived from intangibles such as:
7. Quality of advice offered and having a greater understanding of how the services/products/solutions they offer can make an impact on their customer;

# Level of trust that underlies relationship between salesperson and customer, such as creating a relationship that is customer-focused and not sales driven.

# III. Considerations for a Future in Personal Selling LO 1.3

1. Wide range of employment opportunities.
	* + 1. The 500 largest sales forces in America employ more than 24 million salespeople.
			2. There is no single “selling” occupation.
			3. Opportunities exist that match your interests, talents, and ambitions.
			4. Old stereotypes about sales are gradually going by the wayside.
			5. Careers of highly successful relationship salespeople discover that ethical sales practices represent the key to long-term success.
2. Activities performed by salespeople.
3. Outside salespeople spend 26% of their time in face-to-face sales and 75% in prospecting, data collection, sales prep, travel, waiting, and administrative tasks.
4. Salespeople have tremendous freedom to manage their time and activities and manage their relationships with customers to create value.
5. The proliferation of sales titles in today’s business world has two causes:
6. The shift from selling to consulting and partnering to ensure customer satisfaction.
7. The increased skill sets and education needed to fill selling positions.
8. Titles used in selling today.

1. Just as selling occupations differ, so do the titles by which salespeople are known.

2. Two factors have contributed to the creation of new titles.

a. Shift from “selling” to “consulting” and “partnering.”

b. New titles reflect a difference in education and skill sets needed for the position, creating a sense of credibility with customers.

c. Regardless of title, salespeople play an important role in sustaining the growth and profitability of organizations of all sizes.

d. Sales also supports the employment of many non-selling employees as the sales organization generates all revenue for companies.

1. Above-average income.
2. Table 1.1 describes sales force compensation for different performance levels/
3. Research indicates that salespeople involved in transactional sales earned the lowest compensation.
4. Sales personnel involved in value-added sales earned the highest compensation.

 c. Strategic Account Management Association report:

 respondents expect their SAM programs to grow at 10% – as projected in

 2019.

d. Covid-19’s impact on SAM compensation varied tremendously by industry.

Source: https://blog.strategicaccounts.org/2021/08/10/sama-releases-biannual-2021-compensation-report/

1. Above-average **psychic income.**
2. **Psychic income** (psychological rewards) gained from a selling career may include recognition and security, providing great visibility within the organization.
3. In selling, recognition will come more frequently and with greater intensity than in most other occupations.
4. Accomplishments of sales personnel seldom go unrecognized because they are the revenue generators.
5. Opportunity for advancement.
6. High visibility affords opportunities for advancement because salespeople understand the product/service and the customer better than most in the organization, providing great insight to other departments.
7. Sales experience is invaluable in many middle and high management positions because they have experience in selling.

G. Opportunities for women and minorities.

1. Sales offer women high-income and flexible work schedules.
2. The largest growing number of entrepreneurs are women and minority-owned businesses, which provides great opportunity for greater diversity in a sales organization since research shows people buy from people they know, like, and trust.

# IV. Employment Settings in Selling Today LO 1.4

A. Careers in sales include both inside and outside sales positions.

1. **Inside salespeople** perform selling activities at the employer’s location, typically using the telephone and e-mail.

a. In some cases, called “customer service representatives” and provide a number of support services on behalf of field salespeople.

b. Inside sales can be either “inbound” or “outbound.”

2. **Outside salespeople** travel to meet prospects and customers in their places of business or residence.

3. Inside and outside salespersons often work together and rely heavily upon each other.

B. Three major settings include:

1. Services channel
2. Business goods channel
3. Consumer goods channel

C. Services Channel.

1. Approximately 80% of the U.S. labor force is now employed in the service sector.
2. Career opportunities in the service channel:
3. Hotel, motel, and convention center services.
4. Salespeople sell room space, food, beverages, and services related to hosting seminars, conferences, and meetings.
5. Competition for convention business is intense.
6. Telecommunication services:

1) Deregulation of telephone service has resulted in the fragmentation of major telephone companies and the creation of numerous new communication companies. With cellphones being a part of daily lives, this industry has grown significantly in the past decade because of smartphone technology.

1. Financial services:
	1. There are more than one million sales jobs in securities and financial services.
2. Media sales:
3. Sales force employed by radio/television stations sells broadcasting time to current and prospective advertisers.
4. Newspapers and magazines generate their main revenue from advertising rather than from subscriptions.
5. Media sales personnel help develop advertising campaigns.

4) Social media has transformed how companies reach consumers today, where companies pay to get access to data on users to then create campaigns based on followers.

1. Real Estate:
2. Buying a home is usually the largest single expenditure in an average consumer’s life.

2) Commercial real estate is huge for businesses, and brokers help find the right spot and represent both the tenant’s and owners’ interests.

 3). Real estate salespeople play an important role.

1. Insurance:
2. One of the most rewarding careers in sales.
3. Policies sold include: fire, liability, life, health, automobile, casualty, and homeowner’s.
4. Two broad types of insurance salespeople.
5. Those employed by major insurance companies.
6. Independent insurance agents who represent various companies.
7. Business services:
8. Outsourcing of services is increasing, including computer programming, training, printing, credit reporting, payroll and accounting, payment processing, recruiting, transportation, and security.
9. Other fields of service sales include: home and business security, travel and recreation, pest control, and transportation.

## C. Business Goods Channel.

1. Common titles of salespeople:
2. Industrial salespeople: include both technical salespeople (sales engineers or application engineers) and nontechnical salespeople
3. Sales engineer or applications engineer – must have detailed and precise technical knowledge.

1). Requires expertise in identifying, analyzing, and solving customer problems.

2) May introduce new products and answer technical questions.

1. Field salespeople – interact with new customers and current customers. They must be able to identify customer needs and requirements and to recommend the proper product or service to meet the customer’s needs.
2. Missionary salespeople, (detail salespersons) – primary goal is to develop goodwill and stimulate product demand.
3. Calls on wholesale, retail, and other customers to help improve their marketing.
4. Collects information regarding customer acceptance of products.
5. Must be able to offer advice on credit policies, pricing, displays, and so forth.
6. Consumers spend billions of dollars on Internet purchases. Well-trained

 salespeople can add value to the traditional shopping experience.

## D. Consumer Goods Channel.

1. Retail selling: Retail selling is an excellent area for gaining initial sales experience, and there are multiple areas in this kind of sales.
2. Profile: Asbury Automotive Group
3. Success due to expert staff.
4. Customers are willing to pay higher prices because they value the quality products and assistance provided by salespeople.
5. Well-trained salespeople add value to the shopping experience.
6. Profile: Asbury Automotive Group
7. Direct selling:
8. Independent contractors who represent manufacturers.
9. There are 7.3 million direct salespeople in the United States, with $42.7 billion in revenues
10. The three largest U.S.-based firms in direct marketing are Amway, Herbalife International of America, and Avon products, with $18.1 billion in sales These organizations rely on socialization, communication, and cooperation.

# V. Selling Skills – One of the “Master Skills for Success” for the Knowledge Worker

1. **Knowledge workers** are individuals whose work effort is centered on creating, using, sharing, and applying knowledge.

1. One way to add value to information is to collect it, organize it, clarify it, and present it in a convincing manner.

2. Creating networks with social ties allows knowledge workers to acquire and provide information more successfully.

1. The following four groups of knowledge workers use selling skills, too:
2. Managerial personnel.

Some of the managers’ most valuable information comes from customers.

Executive selling helps managers learn more from customers.

All managerial personnel have to ‘sell’ to the people who report to them about company policies/procedures, and so on and also upwards to their management for support, budgets, headcount, and so forth.

1. Professionals.
2. Doctors, accountants, lawyers, engineers, and other professionals need to use selling skills in order to make their businesses succeed.
3. Technical skills are not enough in the information age.
4. Professionals need relationship skills to develop a new business.
5. Entrepreneurs and Small Business Owners.
6. Entrepreneurs need to sell their new business plan to investors and others.
7. Business owners rely on personal selling to build their business.
8. Marketing Personnel and Customer Service Representatives (CSRs) and Customer Success Managers (CSMs).
9. CSRs have traditionally worked with customers in non-selling areas.
10. CSRs are now learning and applying selling skills.
11. CSRs often discover customer needs.
12. CSMs support customers as they transition from sales prospects to active users of your products.
13. CSMs are focused on customer loyalty and building close long-term client relationships and often stay with the same customers as long as they continue to work with your business.

# VI. Learning to Sell LO 1.6

1. Basic question: “Are salespeople made or are they born?”
2. The principles of selling can be learned and applied by a variety of people.
3. Hundreds of corporations spend millions of dollars to develop salespeople.

B. Sales training has been expanded on four fronts.

 1. Corporate-sponsored training: where an organization creates specific training for

 sales people

 2. Training provided by commercial vendors (see Table 1.2). firms specializing in the

 development of sales personnel

 3. Certification programs: Classes both in person and online that will provide a

 certification

 4. Courses provided by colleges and universities (see Table 1.3).

**END-OF-CHAPTER ACTIVITIES**

 Included in this section are answers to selected end-of-chapter exercises. Answers are provided for all review questions, application exercises, and case problems. In addition, a brief description of each role-play is provided.

 Not included in this section are answers to the Regional Accounts Management Case Study. The answers are found in the Instructor’s Manual for Appendix 2: Answers to the Regional Accounts Management Case Study.

 Also not included in this section are answers to exercises related to Appendix 3: “Partnership Selling: A Role-Play/Simulation.” Answers, forms, and instructions related to Appendix 3 will be found in Instructor’s Manual for Appendix 3 and the Instructor’s Manual titled Traditional Role-Play Exercises and Forms.

**Key Terms**

**Personal selling,** p. 5**:** *Personal selling* occurs when a company representative interacts directly with a customer or prospective customer to present information about a product or service. It is a process of developing relationships; discovering needs; matching the appropriate products with these needs; and communicating benefits through informing, reminding, or persuading.

**Product,** p. 6**:** The term *product* should be broadly interpreted to encompass information, services, ideas, and issues.

**Personal-selling philosophy,** p. 6**:** The development of a *personal-selling philosophy* involves three prescriptions: adopt the marketing concept, value personal selling, and assume the role of a problem solver or partner in helping customers make informed and intelligent buying decisions (Figure 1.1).

**Information economy,** p. 6**:** The restructuring of America from an industrial economy to an *information economy* began approximately 60 years ago (Figure 1.3). During this period, our economy began shifting from an emphasis on industrial activity to an emphasis on information processing.

**Digital economy,** “Digital economy” refers to the use of information technology to create or adapt, market or consume goods and services. Digital novelties include [digital banking](https://www.santander.com/en/stories/how-to-become-a-digital-banking-user-step-by-step), e-commerce, virtual education, smartphone apps, and collaboration platforms.

**Selling 2.0,** p. 7**:** Frequently referred to as *Selling 2.0*, information technology tools, along with innovative sales practices, are used to create value for both the buyer and seller by improving the speed, collaboration, customer engagement, and accountability of the sales process.

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**Value-added selling,** p. 7**:** *Value-added selling* can be defined as a series of creative improvements within the sales process that enhance the customer experience.

**Psychic income,** p. 11**:** *Psychic income,* which consists of factors that provide psychological rewards, helps satisfy these important needs, and motivates persons to achieve higher levels of performance.

**Inside salespeople,** p. 12**:** *Inside salespeople* are those who perform selling activities at the employer’s location, typically using the telephone and e-mail.

**Outside salespeople,** p. 12**:** Unlike inside sales, *outside salespeople* travel to meet prospects and customers in their places of business or residence.

**Trade selling,** p. 13**:** *Trade selling* refers to the sale of a product or service to another member of the supply chain.

**Missionary, or detail, sales,** p. 13**:** Another example of B2B sales is *missionary, or detail, sales*. Rather than selling directly to the end user, the missionary salesperson attempts to generate goodwill and stimulate demand for the manufacturer’s product among channel members.

**Field salespeople,** p. 16**:** *Field salespeople* interact with new customers and current customers. They must be able to identify customer needs and requirements and to recommend the proper product or service to meet the customer’s needs.

**Missionary salespeople,** p. 13**:** *Missionary salespeople*, also known as “detail salespeople,” serve to develop goodwill, provide information, and stimulate demand for the manufacturer’s products. A missionary salesperson does not sell the product but receives recognition for increasing the sale of products indirectly.

**Direct salespeople,** p. 17**:** Direct salespeople are independent contractors who represent manufacturers and the Internet. In 201, *Direct Selling News* reported there are 7.3 million direct salespeople in the United States. The United States is number one, with $42.7 billion in revenues.

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**Customer relationship management,** p. 18**:** *Customer relationship management* (CRM), sometimes referred to as “sales automation,” is software that records in one place the extensive information necessary to understand a customer and his or her needs and expectations.

**Knowledge workers,** p. 19**:** *Knowledge workers* are individuals whose work effort is centered on creating, using, sharing, and applying knowledge.

**Business or client development,** p. 19**:** Many employers expect the professional to bring in new business, often referred to as *business or client development,* in addition to keeping current customers satisfied.

**Customer service representative (CSR),** p. 21**:** The term *customer service representative* (CSR) is used to describe knowledge workers who process reservations, accept orders by phone or other means, deliver products, handle customer complaints, provide technical assistance, and assist full-time sales representatives.

**Customer Success Manager (CSM), p. 20:** CSMs are focused on customer loyalty and building close long-term client relationships, and often stay with the same customers as long as they continue to work with your business.

# Answers to Review Questions

1. Explain how personal selling can help solve the problem of information overload.

In an era of limitless data, informed salespeople can help customers decide which information has value and which information should be ignored. Customers who have less time to adjust to new products and circumstances value this assistance. In the Digital Age, the data that are gathered, when used ethically, create value for customers because they’re based on their own preferences and needs. Salespeople can use this information to better prepare for meeting customers and create solutions to meet their needs.

1-2 According to the Strategic/Consultative Selling Model (see Figure 1.2), what are the three prescriptions for developing a successful personal-selling philosophy?

The three prescriptions for the development of a successful personal-selling philosophy are (1) full acceptance of the marketing concept, (2) developing an appreciation for the expanding role of personal selling in our competitive national and international markets, and (3) assuming the role of a problem solver/partner.

1-3 List and describe the four employment settings for people who are considering a selling career.

According to the employment setting, the classifications are: retail, wholesale, manufacturer, and service careers. (See the responses to Questions 5, 7, and 8 for additional information regarding these four employment settings.)

1-4 What opportunities are there in sales for women and minorities to meet the needs of a diverse marketplace today?

There are growing opportunities for both women and minorities. With the majority of new business owners being women and minorities, hiring a salesforce that can identify, connect with, and relate to this growing demographic provides success for all. There has also been a real focus on the importance of diversity in most organizations today to reflect the society we live in, which provides more opportunity for sales professionals.

✪ 1-5 Some salespeople have an opportunity to earn certification in a sales or sales-related area. How can a salesperson benefit from certification?

Most certification programs can result in increased sales competence and a more professional approach to selling. Earning a certificate can give a salesperson a great deal of personal pride and greater self-confidence while giving them cutting-edge training and skills that will allow them to be more successful.

1-6 Explain why high-performance value-added salespeople earn much more than high-performance transactional salespeople.

There are two reasons why high-performance value-added salespeople earn more than twice as much as high-performance transactional salespeople. First, salespeople who can add value during the sales process tend to close more sales. Second, value-added salespeople are often involved in selling complex products such as commercial security systems, computer systems, insurance, and other expensive items. Salespeople who sell these products often earn a generous commission.

1-7 List three titles commonly used to describe manufacturing salespeople. Describe the duties of each.

The three types of manufacturing salespeople are (1) field salespeople who sell well-established products. A high degree of technical knowledge is not required. (2) Sales engineers must have a high degree of technical knowledge. They identify, analyze, and solve highly technical customer problems. (3) Detail salespeople develop goodwill and stimulate demand for products. Detail salespeople also train employees and offer advice on advertising, credit, pricing, display, store layout, and storage.

1-8 Develop a list of eight selling-career opportunities in the service field.

Selling careers in the service field consist of (1) radio and television sales; (2) media sales; (3) hotel, motel, and convention center sales; (4) insurance sales; (5) financial services; (6) real estate sales; (7) bank service selling; and (8) business services.

1-9 List and briefly describe the four major sources of sales training.

Corporate-sponsored training, commercial vendor training, certification studies, and courses provided by colleges and universities.

# Suggested Answers for Application Exercises

1. Examine a social media ad for a new product or service that you have never seen. Evaluate its chances for receiving wide customer acceptance. Does this product require a large amount of personal-selling effort, and how does social media help influence the sale? What types of salespeople (service, manufacturing, wholesale, or retail) are involved in the actual sale of the product?

The objective of this exercise is to have the students gain a better understanding of the different types of selling that influence product exposure and acceptance. They are also likely to discover that with convenience products, such as those in a grocery store, even though there is little or no personal selling at the retail level, there may be a large amount of personal selling effort at the wholesale and manufacturing levels. At the retail level, a retail sales associate could handle the order taking of convenience items, but for other items, such as those found at an appliance store, a retail salesperson would be required in most cases. This also highlights the impact of data collection today in getting access to individual consumer buyers.

1-11 For each of the following job classifications, list the name of at least one person you know in that field:

a. Full-time person who sells a service

 b. Full-time inside wholesale salesperson

 c. Full-time manufacturer’s salesperson

 d. Full-time retail salesperson

Interview one of the people you have listed, asking the following questions concerning their duties and responsibilities:

 a. What is your immediate supervisor’s title?

 b. What would be a general description of your position?

c. What specific duties and responsibilities do you have?

 d. What is the compensation plan and salary range for a position like yours?

Write a job description from this information.

The objective of this field-based exercise is to get the student talking with someone in the selling field. The suggested questions will tend to make the visit more informative for the student. Students can share a large amount of field-based information if they are asked to make oral reports on their interviews. You could have your students fill out a survey, then use that data to create a class discussion in the class as an exercise in how data are used to gain information about customers and the marketplace.

**1-12** Shelly Jones, a vice president and partner in the Chicago office of the consulting firm Korn/Ferry International, has looked into the future, and he sees some new challenges for salespeople. He recently shared the following predictions with *Selling Power* magazine:

 a. Salespeople will spend more time extending the range of applications or finding new markets for the products they sell.

 b. The selling function will be less pitching your product and more integrating your product into the business equation of your client. Understanding the business environment in which your client operates will be critical.

 c. In the future, you will have to be a financial engineer for your client. You need to understand how your client makes money and be able to explain how your product or service contributes to profitable operation of the client’s firm.

Interview a salesperson who is involved in business-to-business selling—a manufacturer’s representative, for example—and determine whether this person agrees with the views of Shelly Jones.

This field interview will give students an opportunity to reflect on some of the new challenges facing business-to-business salespeople. Create a class discussion where students have to state their opinions.

**1-13** There are many information sources on selling careers and career opportunities on the Internet. Two examples include Monster.com and CareerBuilder.com. Search the Internet for information on selling careers.

 Use your search engine to find career information on a pharmaceutical representative, a field sales engineer, and a retail salesperson.

Students will find a variety of information on the listed career choices—from job descriptions to job ads to periodicals relating to the jobs. After students find information on their desired career, have them print and submit it.

# Role-Play Exercise

 This role-play exercise duplicates a typical job interview. Before the role-play, students should think about what they have to sell regarding work experience, education, leadership positions held, volunteer work, and so forth. Most students will change jobs eight to ten times throughout their lifetime, so this can prepare them for future real-world interviews. This gives the students an understanding of how necessary sales skills are to their own success and sets the stage for applying what will be discussed throughout the course to their own lives.

# Solution for the Case Problem

1. Tom James and Alex Homer appeal to the three prescriptions of a personal-selling philosophy. First, they have adopted the marketing concept in so far as the customer is at the center of their value proposition—Tom James offers a service rather than just clothing; convenience and customization are a part of their value proposition. Second, Tom James values personal selling because customers are highly sensitive to the level of service provided, and customer retention is dependent upon superior personal selling strategies, not just the fit of the clothes but the service, delivery, and follow up afterward. Third, sales representatives of Tom James, such as Alex Homer, are problem solvers for their clients, who are under extreme time constraints and need to have a customized service that identifies and fulfills their needs.
2. For Alex Homer, being employed in a sales position that allows for creativity and autonomy is likely to generate considerable psychic income. Also, considering 80 percent of the business is generated from repeat customers, it is likely that Alex has developed long-term, rewarding relationships that develop job satisfaction. At the same time, the difficulty to find new business is one of Alex’s major challenges and may be one of the most adverse aspects of his sales job. The way to overcome this is to make sure his existing customers are happy and are willing to provide referrals for new business.
3. Alex uses a persuasive presentation strategy that is made possible by his experience and existing knowledge. To gather new information about clients, Alex asks detailed and purposeful situation questions based on the research he gathered to better understand and identify the needs of customers. This utilization of the selling process allows Alex to advance the sales process, relating how what Tom James offers can solve a lot of problems for the customer, resulting in inducing buying motives during the sales call.
4. Alex can generate referrals from maintaining the three fundamental prescriptions of the personal selling philosophy. Overall, his preparation for the sales call is crucial, and if the customers have a favorable experience with Alex, it will result in referrals to friends and family members. Also, it is important that Alex remains honest, trustworthy, genuine and follows through to exceed customer expectations. It is not good practice to bad-mouth competitors, for instance.
5. Alex must have a prowess in several different types of selling skills, including active listening skills, communication skills, and business and client development skills. Of the four major sources of sales training (i.e., corporate-sponsored, commercial vendors, certification programs, and colleges and universities), Tom James could hire educated sales associates and create a certification program internally that would recognize and promote excellence in selling.

**Partnership Selling: A Role-Play (see Appendix 3)**

Learning about the New Upscale Park Shores Resort and Convention Center, Partnership Selling Role-Play

* You can introduce the concept of role-plays in sales organizations as you introduce the concept at the end of the first chapter. Real sales organizations have salespeople do role-plays as part of training, when they are first hired on and during annual sales training. This provides the opportunity for salespeople to best understand how to connect with a customer, uncover needs, and relate their product/service/value proposition so that it provides a solution. Role-plays are uncomfortable for almost everyone; however, they allow a salesperson to practice, learn, and get better before a real sales call, when it’s real money on the line and no 2nd chances.
* Have the students start to think about the following so they get more comfortable with the thought of the role-play:
	+ What have you learned in Chapter 1 about sales that you think is the most important before you meet with a customer?
	+ What services are offered by the Park Shores Resort and Convention Center offer?
	+ How would they best sell those services?
	+ How can they create value for their customers?