

- 1) In Consultative selling the buyer-seller relationship intensifies after the sale is over in many instances.

A) True  
B) False

Answer: True

Diff: 2      Type: TF      Page Ref: 35      Skill: Applied (A)      Objective: LO: 2 - 2

- 2) Strategies are the techniques, practices, or methods you use when you are face-to-face with a customer.

A) True  
B) False

Answer: False

Diff: 2      Type: TF      Page Ref: 36      Skill: Applied (A)      Objective: LO: 2 - 2

- 3) A firm that practices the marketing concept moves away from a production orientation to a customer orientation.

A) True  
B) False

Answer: True

Diff: 2      Type: TF      Page Ref: 32-33      Skill: Recall (R)      Objective: LO: 2 - 1

- 4) Consultative-style selling, which emerged in the late 1960s and early 1970s, is an extension of the marketing concept.

A) True  
B) False

Answer: True

Diff: 1      Type: TF      Page Ref: 35      Skill: Recall (R)      Objective: LO: 2 - 2

- 5) Transactional selling is a sales process that is focused on creating superior customer satisfaction during the sales transaction.

A) True  
B) False

Answer: False

Diff: 2      Type: TF      Page Ref: 35      Skill: Recall (R)      Objective: LO: 2 - 2

- 6) An advantage of using the Consultative selling approach, which is based on effective communication between the buyer and seller, is that the negotiation stage of the presentation process can be eliminated.

A) True  
B) False

Answer: False

Diff: 2      Type: TF      Page Ref: 35      Skill: Applied (A)      Objective: LO: 2 - 2

7) When Judy sells a perfume at the airport Duty Free shop it would be considered relationship selling.

- A) True
- B) False

Answer: False

*Diff: 2      Type: TF      Page Ref: 40      Skill: Applied (A)      Objective: LO: 2 - 3*

8) The presentation strategy includes a reminder that outstanding service should be the overriding theme of every sales presentation.

- A) True
- B) False

Answer: True

*Diff: 2      Type: TF      Page Ref: 42      Skill: Recall (R)      Objective: LO: 2 - 3*

9) Transactional selling is a process that involves needs assessment, problem solving, relationship building, and following up on the transaction.

- A) True
- B) False

Answer: False

*Diff: 2      Type: TF      Page Ref: 35      Skill: Applied (A)      Objective: LO: 2 - 2*

10) A strategic market plan is focused on the marketing functional area of a business and outlines the methods and resources required to achieve the firm's marketing goals.

- A) True
- B) False

Answer: False

*Diff: 2      Type: TF      Page Ref: 36      Skill: Recall (R)      Objective: LO: 2 - 2*

11) Adopting transactional selling is an important part of developing a personal selling philosophy.

- A) True
- B) False

Answer: False

*Diff: 2      Type: TF      Page Ref: 35      Skill: Applied (A)      Objective: LO: 2 - 2*

12) High ethical standards are important to success in transaction-oriented selling.

- A) True
- B) False

Answer: False

*Diff: 2      Type: TF      Page Ref: 35      Skill: Applied (A)      Objective: LO: 2 - 2*

- 13) Within the various promotion methods such as advertising, sales promotion etc., personal selling is often the major promotion method used in terms of total expenditures or expenses as a percentage of sales.

A) True  
B) False

Answer: True

Diff: 2      Type: TF      Page Ref: 34-35      Skill: Recall (R)      Objective: LO: 2 – 2

- 14) When products of a company become similar to its competitor's products, the product strategy becomes more important than the relationship, customer and presentation strategies.

A) True  
B) False

Answer: False

Diff: 2      Type: TF      Page Ref: 40      Skill: Applied (A)      Objective: LO: 2 – 3

- 15) The belief that a firm should dedicate all of its policies, planning, and operation to create customer satisfaction is called:

A) marketing concept.  
B) market orientation.  
C) target marketing.  
D) customer orientation.  
E) production concept.

Answer: A

Diff: 3      Type: MC      Page Ref: 32-33      Skill: Recall (R)      Objective: LO: 2 - 1

- 16) Eric Villa obtained a license to sell real estate and then accepted a sales position with a Century 21 agency. To prepare for this new position, he purchased and read a research report entitled Buying Habits of Today's Home Buyer. Mr. Villa is attempting to develop a:

A) relationship strategy.  
B) customer strategy.  
C) presentation strategy.  
D) product strategy.  
E) promotion strategy.

Answer: B

Diff: 3      Type: MC      Page Ref: 41      Skill: Applied (A)      Objective: LO: 2 - 3

- 17) Across all businesses, more money is spent on \_\_\_\_\_ than on any other form of marketing communication.

A) personal selling

- B) public relations
- C) direct mail
- D) sales promotion
- E) advertising

Answer: A

Diff: 2      Type: MC      Page Ref: 35      Skill: Recall (R)      Objective: LO: 2 - 2

- 18) In a market characterized by vigorous competition, look-alike products, and customer loyalty that depends on quality relationships as well as quality products, the salesperson should fully utilize the:
- A) customer strategy.
  - B) presentation strategy.
  - C) product strategy.
  - D) relationship strategy.
  - E) guerrilla strategy.

Answer: D

Diff: 3      Type: MC      Page Ref: 43      Skill: Recall (R)      Objective: LO: 2 - 4

- 19) Promotion include the following forms:
- A) sales promotion, public relations, personal selling, advertising.
  - B) market research, personnel, product publicity.
  - C) product research, product design, product production, product publicity.
  - D) public relations, place, personal selling, personnel.
  - E) sales promotion, personnel, public relations, and product research.

Answer: A

Diff: 1      Type: MC      Page Ref: 34      Skill: Recall (R)      Objective: LO: 2 - 2

- 20) Which of the following statements would *not* be an application of the marketing concept?
- A) Let's enquire about which configuration options customers like.
  - B) Let's show these product designs to some prospective buyers for their reactions.
  - C) Let's examine our points of distribution to see if we're reaching the market effectively.
  - D) Let's do some research to see which colours the consumers prefer.
  - E) Let's speed up production and get these products to consumers faster by eliminating the field test.

Answer: E

Diff: 3      Type: MC      Page Ref: 32-33      Skill: Applied (A)      Objective: LO: 2 - 1

- 21) A major feature of consultative selling is:
- A) ensuring increased sales in the short run.
  - B) sell your product or service.
  - C) help your employer earn a profit.
  - D) emphasizing information giving and negotiation rather than manipulation.

E) influencing the prospect's thought process so he or she will want to buy your product or service.

Answer: D

Diff: 2      Type: MC      Page Ref: 35      Skill: Recall (R)      Objective: LO: 2 - 2

- 22) The four broad strategic areas of the Strategic/Consultative-Style Selling Model are:
- A) relationship strategy, customer strategy, company strategy, and credit strategy.
  - B) relationship strategy, company strategy, product strategy, and presentation strategy.
  - C) relationship strategy, company strategy, customer strategy, and service strategy.
  - D) relationship strategy, product strategy, customer strategy, and presentation strategy.
  - E) relationship strategy, company strategy, product strategy, and service strategy.

Answer: D

Diff: 2      Type: MC      Page Ref: 38-41      Skill: Recall (R)      Objective: LO: 2 - 3

- 23) Sharon Pearce is a sales representative employed by a leading producer of pharmaceuticals used in veterinary medicine. Recently she attended a seminar, sponsored by a local university, that focused on new research findings in selected areas of veterinary medicine. Ms. Pearce is attempting to develop a:
- A) product strategy.
  - B) company strategy.
  - C) relationship strategy.
  - D) presentation strategy.
  - E) customer strategy.

Answer: A

Diff: 3      Type: MC      Page Ref: 40-41      Skill: Applied (A)      Objective: LO: 2 - 3

- 24) When Henri Bouchard was first hired by Mitu Corp. as a sales representative in 1972, the company indicated that it was moving towards the marketing concept. Henri understood this to mean Mitu Corp:
- A) made mid-priced products and marketed them to end consumers.
  - B) was producing high quality brochures assisting its sales force in marketing their products.
  - C) was starting to focus in on what its customers were looking for in its products.
  - D) as a sales rep, he could do whatever was necessary to get a customer to buy his products.
  - E) was improving production methods to improve its ability to market its products.

Answer: C

Diff: 3      Type: MC      Page Ref: 32-33      Skill: Applied (A)      Objective: LO: 2 - 1

25) Personal selling has evolved through three distinct developmental periods, in the following order:

- A) partnering era, strategic selling era, and consultative selling era.
- B) relationship selling era, consultative selling era, and strategic selling era.
- C) strategic selling era, consultative selling era, and partnering era.
- D) consultative selling era, partnering era, and strategic selling era.
- E) consultative selling era, strategic selling era, and partnering era.

Answer: E

Diff: 2      Type: MC      Page Ref: 35      Skill: Recall (R)      Objective: LO: 2 - 2

26) Henri trains his reps to give high levels of customer service. In order to attain this, the reps must go through a process which includes

- A) need discovery, need-satisfaction presentation, negotiation, and servicing the sale.
- B) need discovery, need-satisfaction presentation, selection of product, and negotiation.
- C) negotiation, need discovery, need-satisfaction presentation, and servicing the sale.
- D) need discovery, need-satisfaction presentation, negotiation, and selection of product.
- E) need discovery, selection of product, need-satisfaction presentation, and servicing the sale.

Answer: E

Diff: 2      Type: MC      Page Ref: 35-36      Skill: Recall (R)      Objective: LO: 2 - 2

27) Using consultative selling techniques, Riccardo identifies his customer's needs through:

- A) efficient use of expense accounts.
- B) marketing research.
- C) conversation with support staff.
- D) two-way communications.
- E) complex questioning strategies.

Answer: D

Diff: 1      Type: MC      Page Ref: 35      Skill: Recall (R)      Objective: LO: 2 - 2

28) Jasmine has been invited to sit on a committee with representatives from production, marketing, finance, and personnel. This committee would most likely be referred to as:

- A) the strategic planning committee.
- B) a waste of time.
- C) the ergonomic planning committee.
- D) the social committee.
- E) the tactics planning committee.

Answer: A

Diff: 2      Type: MC      Page Ref: 36      Skill: Applied (A)      Objective: LO: 2 - 2

29) Changing the order in which a product is demonstrated in a particular sales presentation is an example of:

- A) personal decision
- B) marketing decision
- C) consultative selling
- D) strategic decision
- E) tactical decision

Answer: E

Diff: 2      Type: MC      Page Ref: 36      Skill: Applied (A)      Objective: LO: 2 – 2

30) Jack uses strategy to ensure tactical success. He feels that strategic planning helps him:

- A) choose the right product.
- B) close more deals.
- C) talk to the right person.
- D) negotiate customer needs.
- E) solve after-sales service problems.

Answer: C

Diff: 2      Type: MC      Page Ref: 36-37      Skill: Applied (A)      Objective: LO: 2 - 2

31) Henri expects that his sales reps take a strategic approach to selling. He expects his reps will be:

- A) more adaptable, more focused, and more efficient.
- B) more adaptable, close more sales, and more efficient.
- C) more structured, close more sales, and be more customer service oriented.
- D) more time oriented, more customer service oriented, and more productive.
- E) more structured, more focused, and more efficient.

Answer: E

Diff: 2      Type: MC      Page Ref: 37      Skill: Applied (A)      Objective: LO: 2 - 2

32) A statement such as "people don't care how much you know until they know how much you care" indicates the importance of developing a good:

- A) image
- B) marketing strategy
- C) product strategy
- D) relationship strategy
- E) impression

Answer: D

Diff: 2      Type: MC      Page Ref: 39-40      Skill: Applied (A)      Objective: LO: 2 - 3

33) Cindy knows that \_\_\_\_\_ is a well-thought out plan for establishing, building and maintaining quality relationships.

- A) the Levitt method
- B) a marketing concept strategy

- C) a customer focus action plan
- D) personal selling philosophy
- E) a relationship strategy

Answer: E

Diff: 2      Type: MC      Page Ref: 38      Skill: Recall (R)      Objective: LO: 2 - 3

- 34) Sam believes that his strengths as a product strategist are rooted in his:
- A) product knowledge, his ability to sell benefits, and high ethics.
  - B) product knowledge, becoming a problem solver, and providing outstanding customer service.
  - C) product knowledge, becoming a problem solver, and proper product positioning.
  - D) product knowledge, his ability to sell benefits, and proper product positioning.
  - E) product knowledge, maintaining a professional image at all times, and providing outstanding customer service.

Answer: D

Diff: 2      Type: MC      Page Ref: 40      Skill: Recall (R)      Objective: LO: 2 - 3

- 35) When selling complex products such as computers, the appropriate selling philosophy would be:
- A) transaction selling
  - B) systems selling
  - C) direct marketing
  - D) relationship selling
  - E) cooperative selling

Answer: D

Diff: 2      Type: MC      Page Ref: 39      Skill: Applied (A)      Objective: LO: 2 - 3

- 36) Janet uses the strategic/consultative selling model as her guide in sales. This model does not include which of the following steps?
- A) develop a presentation strategy
  - B) develop a competitor strategy
  - C) develop a relationship strategy
  - D) develop a product strategy
  - E) develop a personal selling philosophy

Answer: B

Diff: 2      Type: MC      Page Ref: 38-40      Skill: Recall (R)      Objective: LO: 2 - 4

- 37) The primary reason to use sales automation is to:
- A) enhance partnerships with clients and improve responsiveness.
  - B) spend less time at office doing mundane and repetitive tasks.
  - C) make a good impression on clients.
  - D) impress your supervisors.
  - E) keep track of sales and commissions.



Answer: A

Diff: 2      Type: MC      Page Ref: 44-45      Skill: Applied (A)      Objective: LO: 2 - 4

38) As products available have become more homogeneous, Nick understands that:

- A) component parts must be high quality.
- B) customizing products ensures market share.
- C) quality service agreements are key.
- D) price becomes the major focus.
- E) relationship selling is becoming more important.

Answer: E

Diff: 2      Type: MC      Page Ref: 39      Skill: Applied (A)      Objective: LO: 2 - 3

39) The aspect which differentiates personal selling from other forms of communication methods is that

- A) it is an interpersonal form of communication.
- B) it is not hard to adopt.
- C) it is very expensive.
- D) it is unreliable.
- E) it does not involve using some form of technology.

Answer: A

Diff: 3      Type: MC      Page Ref: 43      Skill: Applied (A)      Objective: LO: 2 - 2

40) The technique a salesperson uses when he is face-to-face with his customers is called:

- A) game plan.
- B) sales technique.
- C) presentation plan.
- D) tactics.
- E) strategy.

Answer: D

Diff: 2      Type: MC      Page Ref: 36      Skill: Recall (R)      Objective: LO: 2 - 2

41) The difference between strategies and tactics is:

- A) strategy is the pre-call planning done by a sales person while tactics are methods used during a sales presentation.
- B) strategies are short-term oriented and tactics are long-term oriented.
- C) strategy and tactics are the same thing, the terms can be used interchangeably.
- D) tactics is the pre-call planning done by a sales person while strategy is the methods used during a sales presentation.
- E) strategy is more detailed planning whereas tactics is doing less planning.

Answer: A

Diff: 3      Type: MC      Page Ref: 36      Skill: Recall (R)      Objective: LO: 2 - 2

42) The evolution of personal selling has gone from the \_\_\_\_\_ to \_\_\_\_\_ stage.

- A) persuader stage, problem-solver

- B) adversary stage, co-operative
- C) unethical, ethical
- D) transaction stage, co-operative
- E) diagnostic stage, solution based

Answer: A

Diff: 2      Type: MC      Page Ref: 32      Skill: Recall (R)      Objective: LO: 2 - 1

43) The focus of the persuader stage was to:

- A) persuade customers to sell a product.
- B) understand customer needs and provide a product solution.
- C) become more customer oriented.
- D) negotiate an optimal solution from the customer's perspective.
- E) convince any and all market members to buy the offered products.

Answer: E

Diff: 2      Type: MC      Page Ref: 32      Skill: Recall (R)      Objective: LO: 2 - 1

44) The focus of the problem-solver stage is to:

- A) identify buyer's needs and present products which best meet those needs.
- B) persuade customers to buy the best product.
- C) emphasize the peddling of the products.
- D) convince any and all market members to buy the offered product.
- E) overcome buyer's objections and make the sale.

Answer: A

Diff: 2      Type: MC      Page Ref: 32      Skill: Recall (R)      Objective: LO: 2 - 1

45) A salesperson's duties include the following:

- A) develop the marketing mix
- B) plan the marketing strategy
- C) develop the strategic plans
- D) implement the marketing strategy
- E) conduct marketing research to determine effectiveness of the marketing plan

Answer: D

Diff: 3      Type: MC      Page Ref: 36      Skill: Applied (A)      Objective: LO: 2 - 2

46) Generally speaking retail sales involve:

- A) Value-added selling.
- B) strategic selling.
- C) transactional selling.
- D) relationship selling.
- E) face-to-face selling.

Answer: C

Diff: 2      Type: MC      Page Ref: 35      Skill: Recall (R)      Objective: LO: 2 - 2

47) Generally speaking successful business-to-business selling involves:

- A) face-to-face selling.

- B) Just-in-time selling.
- C) aggressive selling.
- D) relationship selling.
- E) transactional selling.

Answer: D

Diff: 3      Type: MC      Page Ref: 40      Skill: Applied (A)      Objective: LO: 2 - 3

48) The concept of "value" should be defined from the \_\_\_\_\_ perspective.

- A) sellers
- B) competitors
- C) legal
- D) social
- E) buyers

Answer: E

Diff: 2      Type: MC      Page Ref: 45      Skill: Recall (R)      Objective: LO: 2 - 5

49) The marketing mix consists of:

- A) market, competitors, customers and government.
- B) production, finance, marketing and human resources.
- C) product, production, promotion and price.
- D) value, price, cost and expenses.
- E) product, place, promotion and price.

Answer: E

Diff: 1      Type: MC      Page Ref: 34      Skill: Recall (R)      Objective: LO: 2 - 2

50) Deciding to give a customer a 10 percent price discount during the negotiations stage is a \_\_\_\_\_ decision.

- A) practical
- B) strategic
- C) customer oriented
- D) tactical
- E) sales oriented

Answer: D

Diff: 2      Type: MC      Page Ref: 36      Skill: Applied (A)      Objective: LO: 2 - 2

51) Altering sales behaviour during customer interaction in order to improve communication is called:

- A) adaptive selling.
- B) consultative selling.
- C) creative selling.
- D) customer-oriented selling.
- E) value-added selling.

Answer: A

Diff: 2      Type: MC      Page Ref: 38      Skill: Recall (R)      Objective: LO: 2 - 2

52) Trend towards identical products or the need for more customized products is encouraging businesses into \_\_\_\_\_ to gain a competitive advantage.

- A) manufacturing
- B) product development
- C) outsourcing
- D) partnering
- E) adaptive selling

Answer: D

Diff: 2      Type: MC      Page Ref: 43      Skill: Recall (R)      Objective: LO: 2 - 4

53) Matching

- a. Profitability should be achieved through - creation of customer value
- b. Moving from a product orientation to a customer orientation - marketing concept
- c. Is the person-to-person form of selling - personal selling
- d. An extension of the marketing concept - consultative-style selling
- e. Is an important part of the product strategy: - product positioning
- f. Matches the needs of the value-conscious buyer - transactional selling
- g. Assume the role of problem solver or partner - part of one's personal selling philosophy
- h. In the information economy the strategic resource is – information
- i. Today customers seek - a cluster of satisfaction
- j. A salesperson's commitment to value personal selling - personal selling philosophy
- k. Salesperson making creative improvements to the sales process to enhance customer experience - value-added selling
- l. Making customer satisfaction the focus of the business - following the marketing concept
- m. Controllable variables through which a firm influences the demand for its products - marketing mix
- n. Developing a strategic, long-term relationship of mutual benefit to the buyer and seller – partnering
- o. Use of sales automation - customer relationship management

Diff: 2      Type: Match      Page Ref: 34-35      Skill: Recall (R)      Objective: LO: 2 -1 to 2-5

54) A \_\_\_\_\_ is a well thought-out plan for establishing, building, and maintaining quality selling relationships.

Answer: relationship strategy

Diff: 2      Type: FIB      Page Ref: 40      Skill: Recall (R)      Objective: LO:2-3

55) \_\_\_\_\_ are techniques, practices, or methods you use when you are face-to-face with a customer.

Answer: Tactics

Diff: 2      Type: FIB      Page Ref: 36      Skill: Recall (R)      Objective: LO:2-2

- 56) \_\_\_\_\_ evolved because of broader and more diverse product lines, demand for specific customized solutions, and more competition.

Answer: Strategic selling

Diff: 3      Type: FIB      Page Ref: 36      Skill: Recall (R)      Objective: LO:2-2

- 57) A \_\_\_\_\_ is a carefully conceived plan that will result in maximum responsiveness to customers.

Answer: Customer strategy

Diff: 1      Type: FIB      Page Ref: 41      Skill: Recall (R)      Objective: LO:2-3

- 58) List and describe the five strategic steps of the Strategic Consultative Selling Model.

Answer:

- a. Developing a personal selling philosophy. This involves adopting the marketing concept, valuing personal selling, and assuming the role of problem solver.
- b. Developing a relationship strategy. Success in selling depends heavily on the salesperson's ability to develop, manage, and enhance interpersonal relations with the customer.
- c. Developing a product strategy. Products and services represent the problem-solving tools available to salespeople.
- d. Developing a customer strategy. Sales and marketing efforts must be organized around the needs and desires of the customer.
- e. Developing a presentation strategy. The presentation is a critical part of the selling process because it is at this point that the salesperson determines whether the customer has a need for the product.

Diff: 2      Type: ES      Page Ref: 39      Skill: Applied (A)      Objective: LO: 2 - 4

- 59) Describe the difference between transactional selling and consultative selling.

Answer:

Transactional selling - is a process that effectively matches needs of value-conscious buyer who is mainly interested in price and convenience. It is used in selling situations where customer's needs assessment, problem solving, relationship building and sales follow up are not as necessary, such as with low cost products.

Consultative selling - involves understanding customer needs through a two-way communication, selection of a product which meets customer needs, doing a need satisfaction presentation and servicing the sale.

Diff: 3      Type: ES      Page Ref: 35      Skill: Applied (A)      Objective: LO: 2 - 2

- 60) Why is it significant for salespeople to know that *value* is a subjective concept?

Answer:

Every one has a unique definition of value. Some may define good value as lower price, some may define value in terms of excellent after-sales-service and others may define it in terms of simplifying their buying decision. An effective salesperson will create value

by understanding customer's value needs and then enhance the customer's experience accordingly.

*Diff: 3      Type: ES      Page Ref: 45      Skill: Applied (A)      Objective: LO: 2 - 5*