# Appendix 2

# Regional Accounts Management (RAM) CRM Case Study

The Regional Accounts Management (RAM) Case Study is a unique simulation exercise providing students the opportunity to plan sales strategies to move the sales process to a successful outcome for 20 customers. While most role-play/simulations provide students an important setting for developing selling skills while working one-on-one with a customer, Appendix 2 is the first such exercise to provide important selling skills development in a diverse multicustomer setting.

Research studies reveal selling skills in the researching, planning, organizing, and communicating activities associated with multiple accounts are critical to success in personal selling. Additionally, more time is generally spent on these activities than in one-on-one presentations.

Information collected by a previous salesperson has been captured in a CRM (customer relationship management) database for a company called NewNet Systems. Students assume the role of a newly hired NewNet regional account manager (RAM) with responsibility to work with sales opportunities associated with the clients in their new CRM database.



**INTRODUCTION**

The Regional Accounts Management (RAM) case study presented in Appendix 2 provides examples of CRM sales notes and customer information previously recorded by a salesperson working for a company named NewNet Systems.

The Regional Accounts Management CRM Case Study requires students to replace the previous NewNet Systems salesperson and examine a CRM account database containing information similar to an actual business with which the author has consulted. Students plan sales strategies to close as much of the forecasted $1.8 million in projected sales, as possible. Each assignment in the text refers to strategies presented in that chapter. Student time required to complete each of these assignments will average about 30 minutes. **It is important to review the introduction to the Regional Account Management Case Study in Chapter 9, and the Account Screens in Appendix 2 before assigning this multi-chapter case study**.

Included in the RAM case study is a series of questions found at the end of Chapters 9–15, that your students can answer by analyzing” the CRM Contact and Notes Screens in Appendix 2. Your students are presumed to be a new RAM, replacing the previous NewNet Systems salesperson, Lee Bizon. NewNet Systems sells network products and services. **The questions in this REGIONAL ACCOUNT MANAGEMENT Case Study all relate to successfully moving accounts through the stages in the sales process.** **Answering these questions relate to the sales process, and do not require technical networking product knowledge.**

The following NewNet Systems Sales Metrics table supplies the information requested in the first question for Chapters 9–15. The first three columns provide the information requested in question one of chapter nine. The fourth column supplies the answer to the first question in the Chapter 10 Regional Accounts Management Case Study. Finally, the fifth through the eighth columns supply answers to Chapters 12–14.

# RAM METRICS—SELLING TODAY 14E

# REGIONAL ACCOUNTS MANAGEMENTS CASE STUDY

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **NewNet Systems Accounts Management**  **Name “Instructor’s Key” Regional Accounts Manager, NewNet SYSTEMS**   |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | | Date | Account Name/ | Dollar | Comm. | Sales Process | Likeli- | Forecasted | **Commission** | | Close | Contact Name | Sales Amt | Style | Stage | hood | Sales | **(10% Forecast)** | |

1/31 Able Technologies/ 250,000 Supportive Needs Analysis 70% 175,000 17,500

Bradley J. Able

1/31 Aeroflot Airlines/ 75,000 Emotive Qualified 80% 60,000 6,000

John Poltava

11/30 Bryan Enterprises/ 75,000 Emotive Qualified 99% 74,250 7,425

Bill Bryan

6/30 Computer Products/ 50,000 Director Qualified 30% 15,000 1,500

Joanna Barkley

2/28 Computerized Labs/ 75,000 Reflective Presentation 60 45,000 4,500

Sam Pearlman

0/00 Designer Associates/ None Supportive

D Simon Sayers

1/31 Ellis Enterprises/ 175,000 Reflective Qualified 90 157,000 15,700

Timothy P. Ellis

6/30 Engineering Software/ 75,000 Supportive Qualified 30 22,500 2,250

Ian Cortez

2/28 General Contractors/ 100,000 Director Qualified 90 90,000 9,000

Brian Allan

1/31 International Studios/ 25,000 Supportive Needs Analysis 80 20,000 2,000

Robert G. Kelly

12/31 Johnson and Assoc/ 125,000 Director Qualified 99 123,750 12,375

Ralph Johnson

6/30 Lakeside Clinics/ 25,000 Director Needs Analysis 20 5,000 500

Dr. Jeff Gray

12/30 Landers Engineering/ 25,000 Emotive Qualified 80 20,000 2,000

Colleen Landers

1/31 Media Conglomerate/ 100,000 Emotive Qualified 60 60,000 6,000

Joe Romero

3/30 Mercy Hospital / 250,000 Directive Qualified 40 100,000 10,000

Kerri Mathers

8/31 Modern Designs/ 200,000 Reflective Qualified 50 100,000 10,000

Cheryl Castro

12/31 Murray D’Zines/ 20,000 Directive Order 100 20,000 2,000

Karen Murray

11/17 Piccadilly Studio/ 60,000 Emotive Order 100 60,000 6,000

Judith Albright

2/28 Quality Builders/ 25,000 Supportive Qualified 70 17,000 1,700

Sherry Britton

1/31 Southern Motors/ 125,000 Supportive Needs Analysis 90 112,500 11,250

Dwayne Ortega

TOTALS 1,855,000 1,232,000 123,200

## Chapter 9—Developing a Prospect Base

### Regional Accounts Management Case Study—Reviewing the Prospect Database

#### Questions

Using the following headings prepare an account metrics report for your meeting on the current status of your 20 new accounts found in Appendix 2. Keep a copy for future reference.

Note again the first three columns of the table presented above provide the information requested in this question. Also, note the fourth column supplies the information to Chapter 10, as does the remaining columns for Chapters 11–14. If you choose you could have students complete the table at this time, however, it is recommended they complete it as they answer the other questions in each of the following chapters.

NewNet Systems Accounts Management

Name Regional Accounts Manager, NewNet Systems

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Date** | **Account Name/** | **Dollar** |  |  |  |  |  |
| **Close** | **Contact Name** | **Sales Amt.** |  |  |  |  |  |

Which contact can you ignore immediately as a *prospect* for making a potential purchase?

Lee Bizon’s notes in the Designers Associates Contact Screen show this professional organization has three workers who do not share files or resources that would not need a network. Dr. Sayers, the director of the organization, appears to be a good reference contact. So further discussions with Dr. Sayers will be documented, this record should be kept as a reference, not a prospect. This requires changing the ID/Status field entry from prospect to reference.

Referring only to the *date close* category, which four prospects would you call immediately?

In the Date Close field, Lee Bizon entered the dates that he felt his prospects might place orders. Assuming the student begins as a salesperson for the company in December, four accounts were identified as likely to close this “year.” The three accounts that should be called immediately are: Colleen Landers, Landers Engineering (12-30); Ralph Johnson, Johnson and Associates (12-31); and Karen Murray, Murray D’Zines (12-31). The fourth account could be any one of the following who Lee Bizon indicated might close by 1-31: Brad Able, Able Technologies; John Poltava, Aeroflot Airlines; Dwayne Ortega, Southern Motors; Timothy Ellis, Ellis Enterprises; Joe Romero, Media Conglomerate; or Robert Kelly, International Studios.

Referring only to the *dollar amount* of sales forecasted category, which four accounts would you call first? Does the likelihood of closing percentage category have any influence on decisions concerning which prospects to call first? Why?

In the “Dollar Amount” field Lee Bizon entered the amounts that he felt his prospects might purchase. The four accounts with the largest amounts forecasted are Able Technologies, Inc. ($250,000), Mercy Hospital ($250,000), Modern designs ($200,000), and Ellis Enterprises ($175,000).

Yes, the likelihood of closing percentage would have an influence on decisions concerning which prospects to call first. The “likelihood” of closing represents the potential likelihood of the account actually purchasing and making the purchase from NewNet rather than a competitor.

According to information on the Contact and Notes Screens, which prospecting method did Lee Bizon appear to use the most? Give examples.

A quick review of the of the contact screens and notes windows reveals that Lee Bizon frequently used the referral method of prospecting. He was apparently well liked, respected, and trusted because frequently clients would provide him with referrals.

9-21 Identify any accounts where there may be ethical or legal issues to be considered. Describe what these issues may be.

Designer Associates, Media Conglomerate and Quality Builders may have issues related to ethics. Designer Associates shared what may be confidential information. Media Conglomerate has a potential pending lawsuit with Bill Bryan. Quality Building has an issue with pricing that could turn out to be both a legal and ethical issue.

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# Chapter 10—Approaching the Customer

# Regional Accounts Management Case Study—Establishing Your Approach

#### Questions

10-17. As a part of your preapproach preparation for your meeting, you would like to have information on the communication styles of each of your accounts. Using the table you prepared for Chapter 9 add a column as noted below and list the communication style of each of your customers.

**NewNet Systems Accounts Management**

**Name Regional Account Manager, NewNet Systems**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Date | Account Name/ | Dollar | **Comm.** |  |  |  |  |
| Close | Contact Name | Sales Amt. | **Style** |  |  |  |  |

***Refer to column 4, Comm. Style in the RAM Metrics Report presented earlier.***

10-18. Casey wants you to call on Robert Kelly. Describe what your call objectives will be with Mr. Kelly.

A needs analysis has been conducted with Mr. Kelly. Your principal objective should be to set a time for a presentation of the product configuration that you and your team recommend.

A second objective would be to confirm that no needs have changed since the needs analysis was conducted and that the needs analysis was satisfactory. The notes indicate that Mr. Kelly “seemed almost ready to order during the needs discovery.” Another call objective could be to ask for the order now.

A third call objective with Mr. Kelly might be to discuss another prospect, Ralph Johnson, and seek insight about how to sell a network to Ralph. Mr. Kelly referred Lee Bizon to Ralph. Lee’s notes show that Lee talked to Ralph about a network and about Robert Kelly (see the Johnson and Associates contact record). To prepare for this part of the conversation with Robert Kelly, a salesperson should review Ralph Johnson's file. Perhaps even call on Ralph again. The salesperson will then be prepared to discuss Ralph with Mr. Kelly (and thank him again for his referral).

Describe how you will strategically use Mr. Kelly’s communication style in your approach.

Mr. Kelly is a supportive. Therefore, <para>you need to take time to build a social relationship with the Mr. Kelley. Spend time learning about the matters that are important in this individual’s life—family, hobbies, and major interests. Listen carefully to personal opinions and feelings. Supportive individuals like to conduct business with sales personnel who are professional but friendly. Therefore, study their feelings and emotional needs as well as their technical and business needs. Throughout the presentation, provide personal assurances and support for their views. If you disagree with a supportive person, curb the desire to disagree too assertively; Supportive people tend to dislike interpersonal conflict. Give them the time to comprehend your proposal. Patience is important.

As you develop your communication-style identification skills and become more adept at style flexing, you become better able to manage the relationship process. With these skills, you should be able to open more accounts, sell more to established customers, and more effectively meet the pressures of competition. Most important, your customers will view you as a person better able to understand and meet their needs.</para></section>

10-19. Your call on Aeroflot Airlines involves both team selling and selling to a buying committee. Who will you team with from NewNet and what kind of preapproach planning will be needed?

Lee has indicated a need to team up with NewNet Technical Sales Support members Joe and Charlene. Joe could do the needs analysis. Charlene may work with the product configuration. You will need to meet with each to update them on progress with the account, prepare call objectives, and coordinate roles during the meeting.

Who are the members of the Aeroflot buying committee and what kind of preapproach planning will be needed? Your meeting with Aeroflot Airlines includes meeting with a buying committee including John Poltvata, his CFO and CEO, and possibly other key Aeroflot people. Regarding the CFO and CEO, you should attempt to find out as much about them and their role in the purchase as you can before the meeting. When you call to make an appointment, you might inquire about the participants that will be in the meeting.

10-20. Reviewing the social contact information in this chapter, what topics might be appropriate for Dwayne Ortega, Robert Kelly, Bradley Able, Sherry Britton and Karen Murray?

Dwayne Ortega’s interest is golf. Robert Kelly’s hobby is model railroading. Bradley Able is an avid San Francisco 49er’s fan. Sherry Britton’s brother plays football at UCLA. Karen Murray’s brother is a tennis enthusiast.

10-21. In analyzing Lee Bizon’s notes, each of the four communications styles are represented. If you haven’t done so, Casey would like you to complete the on-line Communication Style assessment presented in Chapter 5 (see also communication style assessment at [**www.pearsonhighered.com/manning**](http://www.pearsonhighered.com/manning)) and assess your preferred and secondary styles. With this information, summarize how you will use the Platinum Rule described in Chapter 5 to flex your style to work collaboratively with the four styles exemplified by your new contacts.

**The Platinum Rule**, created by Dr. Tony Alessandra, provides each of us with the motivation we need to treat others the way they want to be treated. This rule is a simple, proven method for building strong relationships with our customers: “Do Unto Others As They Want to be Done Unto Them.” The Platinum Rule (www.platinumrule.com) is at the heart of the style-flexing sales strategy. When we take the time to determine whether the customer is behaving as an Emotive, Directive, Reflective, or Supportive, we can then treat them the way they want to be treated.

10-22. Casey has given you a reprint of a new article about using networks for warehouse applications. Which of your prospects might have a strong interest in this kind of article? How would you use this article to make an approach to that prospect?

John Poltava of Aeroflot Airlines manages 12 warehouses and might have a strong interest in this kind of article. Study the article. Then send a copy of it to Mr. Poltava with a note saying, “thought you might be interested in the enclosed article. I'll call you on [date].” When you call, your objective will be to discover Mr. Poltava’s desire in implementing the article’s suggestions—and buying a network from you.

10-23. It is not uncommon for new account managers to experience some call reluctance when taking on a new set of accounts. Referring to the section on “Coping with Sales Call Reluctance,” describe how you might overcome this potential problem if this happens to you as you take over Lee Bizon’s accounts. Build your answer around the four suggestions in this chapter.

*Be optimistic about the outcome of the initial contact*. It is better to visualize and anticipate success than to anticipate failure. It is important to frequently recommit yourself to the double-win value-adding approach to working with customers discussed earlier. The anticipation of failure is a major barrier to making the initial contact.

*Practice your approach before making the initial contact*. A well-rehearsed effort to make the initial contact increases your self-confidence and reduces the possibility that you may handle the situation badly.

*Recognize that it is normal to feel anxious about the initial contact.* Even veteran salespeople experience some degree of sales call reluctance, and this reluctance can surface anywhere in the sales process.

*Develop a deeper commitment to your goals.*

**Chapter 11—Determining Customer Needs with a Consultative Questioning Strategy**

### Regional Accounts Management Case Study—Needs Discovery

#### Questions

11-14. For your meeting with Casey, using the table you prepared in the last chapter add another column titled “Sales Process Stages” as indicated below. Reviewing the metrics on your 20 accounts, indicate the last stage of the sales process each account has gone though. This information will be used as you prepare your next call.

**NewNet Systems Account Management**

**Name Regional Account Manager, NewNet Systems**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Date | Account Name/ | Dollar | Comm. | **Sales Process** |  |  |  |
| Close | Contact Name | Sales Amt. | Style | **Stage** |  |  |  |

**Refer to column 5 Sales Process Stage in the RAM Metrics Report presented earlier.**

11-15. Which four accounts has already had a needs analysis? Which two accounts are scheduled for a needs analysis? Which six accounts are likely to buy but have not yet had a needs analysis?

Needs analysis has been conducted for Able Technologies, Southern Motors, International Studios, and Lakeside Clinic. Piccadilly Studio and Murray D'Zines bought a network without a needs analysis. Designers Associates is not a network prospect.

Needs analysis is set for second Monday in December for General Contractors and the second Thursday for Engineering Software.

11-16. Reviewing the notes and the likelihood of buying, which six accounts are likely to buy but have not yet had a needs analysis?

Needs discovery has neither been set for Aeroflot Airlines, Computer Products, Quality Builders, Ellis Enterprises, Landers Engineering, nor Mercy Hospital. Lee Bizon's projected likelihood percentage indicates these accounts appear to be buyers. Therefore, a needs discovery should be justified.

11-17. Which two accounts has had a needs analysis and now need a product solution configured?

A needs discovery, but no product configuration or proposal has been prepared for Southern Motors and International Studios.

Bryan Enterprises and Modern Designs appear to be planning to buy without having products specifically configured for their needs.

11-18. Reviewing the Network Now entries, which three accounts do not now have a network, but appear to be ready for moving the sales process to the next stage and what will be your next initiative?

Able Technologies needs a product configuration, proposal and presentation, Landers Engineering needs a needs analysis, and Quality Builders needs a needs analysis.

11-19. Which accounts appear to be planning to buy without a needs discovery or product configuration/proposal? What risks does this pose?

Bryan Enterprises and Modern Designs appear to be planning without a needs discovery. Planning without need discovery poses some risks. Without a thorough confirmation of expectations by both buyer and seller, misunderstandings often occur, especially in complex strategic sales. Poorly configured networks could have a negative impact on NewNet’s company image.

## Chapter 12—Creating Value with the Consultative Presentation

### Regional Accounts Management Case Study—Custom-Fitting the Demonstrations

#### Questions

12-17. Using the table you prepared for chapter 11, add another column to record the metrics regarding the likelihood of closing each account. Lee Bizon recorded this information in the Contact Screen.

**NewNet Systems Account Management**

**Name Regional Account Manager, NewNet Systems**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Date | Account Name/ | Dollar | Comm. | Sales Process | **Likeli-** |  |  |
| Close | Contact Name | Sales Amt | Style | Stage | **hood** |  |  |

**Refer to column 6, Likelihood in the RAM Metrics Report presented earlier.**

Which two medium sized accounts with a high likelihood of purchase accounts need a demonstration of the speed and power capabilities of the recommended network? What is the likelihood of closing each of them? Based on projected date to close which should you work on first?

The needs discovery for Southern Motors (90% likelihood) revealed that this account needs a network that offers speed and power. Speed and power can be demonstrated by using the recommended network to solve a problem this account will commonly encounter.

General Contractors (90% likelihood) needs a network that will support the Extranet that they need to share their work with their clients. The Extranet capabilities of the recommended network and software should be shown to this account.

Southern Motors projected date of close is 1/31 so this is the first and largest one on which to work.

Which account wants a very specific network and information management system and needs to be shown that the recommended network product configuration and demonstration will meet their exacting specifications?

The account contact for Computer Products, Ms. Joanna Barkley, has in mind a very specific network configuration. Her proposal and demo has to prove that our recommended solution meets her exacting requirements. With only 30% likelihood and a close date of 6/30 this should not be a priority to work extensively on immediately.

1. Which account with many sites will need a demonstration of NewNet’s ability to put together a complex solution? With many sites will this be an account you need to spend a lot of time on soon? Explain.

The NewNet proposal for Lakeside Clinic goes beyond NewNet’s usual products and services. A wide-area network headquarters for the central offices of 84 clinics is proposed. This headquarters clinic would provide training, policies, and support for a number of connected remote networks. This could be a very complex and costly installation with expensive training for a number of Lakeside personnel. Even though an account with many sites this appears to be a large account, Lee’s projections indicated only a 25% chance of closing a $25,000, six months from now. With this information, it would appear not to be an account to spend a lot of time on now. It will be important to build a relationship with Dr. Grey and see if there is a lot more potential with all the sites they have.

Which medium-sized account seeking a low price needs a testimonial of NewNet’s value-added ability to help customers maximize the power of their network? What is the likelihood of closing this sale and how large could it be? What is the close date?

Mr. Joe Romero at Media Conglomerate says he doesn’t require a needs discovery because they already use a network, know how to use it, and have their own expert. Mr. Romero says he needs nothing more than a low price and some names of other clients he can seek out for testimonials of what we can do. The likelihood of closing this sale is 60% with a total sale amount of $100,000. The close date is imminent and is 1/31.

Which medium-sized account with a fairly short close date needs a demonstration of NewNet’s financial stability?

The salesperson notes for Southern Motors reveal that this account’s former network vendor went bankrupt. Emphasizing NewNet’s longevity, producing a letter of recommendation from the company's banker, or presenting NewNet’s financial statements should demonstrate to this account that it need not be concerned about this possibility.

**Chapter 13—Negotiating Buyer Concerns**

### Regional Accounts Management Case Study—Negotiating Resistance

#### Questions

13-20. Using the report you prepared for Chapter 12, add another column titled Forecasted Sales as shown below. In this column, multiply the Dollar Sales Amount times the Likelihood percentage of closing the sale and record the metrics for a forecasted sale for each account.

**NewNet Systems Accounts Management**

**Name Regional Account Manager, NewNet Systems**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Date | Account Name/ | Dollar | Comm. | Sales Process | Likeli- | **Forecasted** |  |
| Close | Contact Name | Sales Amt | Style | Stage | hood | **Sales** |  |

Refer to column 7 Forecasted Sales in the RAM Metrics Report presented earlier.

13-21. Reviewing the account and notes screens which fairly small account might voice a time objection and say, “We want to put off our decision for now,” and how would you propose dealing with this objection?

Landers Engineering appears to be stating a time objection. This is a common method of phrasing a time objection. The prospect may be indecisive, unconvinced, or using this objection instead of the “real” reason. Careful questioning may reveal that she cannot afford the purchase. However, a needs analysis would still be beneficial. A needs analysis might reveal real financial problems. If there are no compelling reasons for delay, Ms. Landers could be reminded of the value of buying now for tax reasons. The closing date is soon, 12/20 with a fairly high likelihood of 80% for a forecasted sale of $20,000.

13-22. Reviewing the notes screens which very large account has voiced a price objection citing budget issues and how should you respond? What is the closing date, likelihood, and forecasted sales for this account? Reviewing the “Creating Value During Formal Negotiations” unit in this chapter, which of the “do’s and don’ts will likely be most effective in negotiating the price problem?

Brad Able at Able Technologies might object on price—he has already pointed out the need to satisfy his board of directors, usually a financial concern. Joe, NewNet's technical specialist, has suggested in his report that the needed network can be phased in over two budget periods. You can propose that by getting started right now Brad’s company can begin enjoying network productivity gains without work interruptions and large budgetary outlays. The closing date is soon, 1/31; the likelihood is 70%, and the forecasted sale is large at $175,000. The best “do” strategies from the “Creating Value During Formal Negotiations” unit would be to point out the relationship between price and quality and explain and demonstrate the difference between price and cost. Pointing out the relationship between price and quality will be especially important regarding the 20% return on investment condition. Being a new account manager, you probably would not be successful trying to add yourself to the cluster of satisfactions strategy. You might be successful using Joe because he is one of your best technical sales support team members. You could also bring up the outstanding work of Charlene and Camilla and add them to the team with Joe.

13-23. Reviewing the notes screens, which medium-sized account with 100 workstations may be citing the price objection because they don’t need all your value-added features or it may be a cover for credit problems. What is the closing date, likelihood, and forecasted sales of this account? Reviewing this chapter’s section on “Specific Methods of Negotiating Buyer Concerns,” what specific method should you use to negotiate effectively with your contact?

Joe Romero at Media Conglomerate has brought up the price objection. He seems to be laying the groundwork when he says “we don’t need help, we know all about networks, we have our own expert,” and so on. In effect, he is saying, “we don’t need to pay you more for your help, give us a low price.” The projected closing date is soon, 1/31; the likelihood of closing is 60%, and the forecasted sale is $60,000.

Reviewing the “Specific Methods of Negotiating Buyer Concerns,” the best method would be to supply him a list of **third-party testimonials** immediately. You might also bring one of your Technical Sales Support team members with you to **demonstrate** how a needs analysis might reveal other possibilities and enhance the networking capabilities. Using the **superior point method**, you would emphasize how NewNet’s help (making Media's network users more productive) can positively affect Media's bottom line, making any additional costs a good investment. These two last methods may reveal a needs analysis should be conducted so Joe might understand the extent of benefits that NewNet can confer on Media as well as more about the accounts payable issues.

13-24. Reviewing the notes screens, which medium sized account might you anticipate might voice the source concern “we want to shop around for a good solid supplier.” Reviewing the section in this chapter on “Common types of Buyer Concerns” which of the four ways to deal with the loyalty or source objection might be most effective? What other strategies could you combine with this method? What are the closing date likelihood and forecasted sales of this account?

If Southern Motors makes this statement, it might be a source objection. This firm's last network vendor became insolvent and Southern might want to continue shopping to assure it finds a financially reliable vendor.

**Pointing out** **the superior benefits of your company’s financial condition** should be most effective. Combining this with a **demonstration** using a letter of recommendation from the company’s banker (**also a third party testimony**), or presenting NewNet’s financial statements to demonstrate to Southern Motors that NewNet is financially reliable and no further shopping is necessary.

The closing date is soon, 1/31; the likelihood is 90% and the forecasted sale large, $112,500.

13-25. Describe how the closing date, likelihood, and forecasted sales might affect you plans for negotiating customer objections and concerns.

The closing date indicates how much time you have to overcome the objection. The likelihood of closing indicates how much effort you may have to put into negotiations and to some degree may indicate, if it is very low, whether or not you should even try to overcome the objection. If the likelihood is very high and the forecasted sale is also high, this indicates that it may be very beneficial to spend a large amount of time in negotiations.

## Chapter 14—Closing the Sale and Confirming the Partnership

### Regional Accounts Management Case Study—Forecasting the Close

#### Questions

#### 14-18. Using the following report format, prepare a metrics report showing what your potential commission income would be for each of Lee Bizon’s accounts with a 10% commission if you closed them as Lee forecasted. Be sure to figure in the likelihood percentage that was in the forecasted projections. Show what your commissions would be for each of the months shown in Lee’s forecast and the total commission you can expect.

The following table shows the results forecasted by Lee. It is rewritten to list accounts by the date close category. Additionally, it shows the total commissions for each month and the total commissions. Students may figure this month from the NewNet Systems Accounts Management Report prepared for the previous chapters.

COMMISSIONS REPORT

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Date** | **Accounts** | **Likeli-** | **Dollar** | **Forecast** | **Commission** |
| **Close** |  | **hood** | **Amount** | **Amount** | **(10% Forecast)** |
| 12/30 | Landers Engineering | 0.80 | 25,000 | 20,000 | 2,000 |
| 12/31 | Johnson and Associates | 0.99 | 125,000 | 123,750 | 12,375 |
| 12/31 | Murray D'Zines | 0.50 | 20,000 | 10,000 | 1,000 |
|  | ***December Commissions*** |  |  |  | ***15,375*** |
| 1/31 | Able Technologies, Inc. | 0.70 | 250,000 | 175,000 | 17,500 |
| 1/31 | Ellis Enterprises | 0.90 | 175,000 | 157,500 | 15,750 |
| 1/31 | Southern Motors | 0.90 | 125,000 | 112,500 | 11,250 |
| 1/31 | Aeroflot Airlines | 0.80 | 75,000 | 60,000 | 6,000 |
| 1/31 | Media Conglomerate | 0.60 | 100,000 | 60,000 | 6,000 |
| 1/31 | International Studios | 0.80 | 25,000 | 20,000 | 2,000 |
|  | ***January Commissions*** |  |  |  | ***58,500*** |
| 2/28 | General Contractors | 0.90 | 100,000 | 90,000 | 9,000 |
| 2/28 | Computerized Labs | 0.60 | 75,000 | 45,000 | 4,500 |
| 2/28 | Quality Builders | 0.70 | 25,000 | 17,500 | 1,750 |
|  | ***February Commissions*** |  |  |  | ***15,250*** |
| 3/30 | Mercy Hospital | 0.40 | 250,000 | 100,000 | 10,000 |
| 3/30 | Piccadilly Studio | 0.40 | 60,000 | 24,000 | 2,400 |
|  | ***March Commissions*** |  |  |  | ***12,400*** |
| 6/30 | Engineering Software Inc. | 0.30 | 75,000 | 22,500 | 2,250 |
| 6/30 | Computer Products | 0.30 | 50,000 | 15,000 | 1,500 |
| 6/30 | Lakeside Clinic | 0.20 | 25,000 | 5,000 | 500 |
|  | ***June Commissions*** |  |  |  | ***4,250*** |
| 8/31 | Modern Designs | 0.50 | 200,000 | 100,000 | 10,000 |
|  | ***August Commissions*** |  |  |  | ***10,000*** |
| 11/30 | Bryan Enterprises | 0.99 | 75,000 | 74,250 | 7,425 |
|  | ***November Commissions*** |  |  |  | ***7,425*** |
|  | Designers Associates | 0.00 | 0 | 0 | 0 |
|  | ***Total Sales, Forecast Commissions to 11/30*** |  | ***1,855,000*** | ***1,232,000*** | ***123,200*** |

14-19. What kind of special concession might be necessary to close the sale with Quality Builders? What is the closing date, likelihood of closing and forecasted sales for this account?

Ms. Sherry Britton of Quality Builders is a friend of, and works closely with, two other customers who already purchased a network—Ms. Karen Murray of Murray D’Zines and Ms. Judith Albright of Piccadilly Studio. Ms. Britton needs a network and wants to purchase one similar to her friends so they can share network support information. Ms. Britton appears to be unable to afford to pay the same price as her friends. Lee Bizon’s notes show he was considering offering Ms. Britton a special concession—perhaps a special price in order to get her business and keep her friends’ business—if she'll order immediately.

The closing date is 2/28, likelihood is 70% and the forecasted sale is $17,000.

14-20. What kind of close seems appropriate to get an order from Computerized Labs? What is the closing date, likelihood and forecasted sales for this account?

Lee Bizon presented the benefits of a network and doing business with NewNet to Sam Pearlman of Computerized Labs. Lee detected a great deal of interest on Mr. Pearlman's part. However, when Lee followed up a week after the presentation, Mr. Pearlman seemed hesitant and confused. It appears that Sam Pearlman understands many of the benefits of a network but is unable to put the entire picture together without help. Your students should help Mr. Pearlman clarify and summarize the most important buyer benefits in a positive manner and then ask for the order.

The closing date is 2/28, the likelihood is 60% and the forecasted sale is $4,500.

14-21. Should you anticipate a closing problem with Lakeside Clinic’s manger, Dr. Jeff Gray’s lack of knowledge about networks? What kind of close should you prepare to overcome this problem, if it occurs?

Dr. Gray of Lakeside Clinic highly values information. He obviously wants to know, as a manager, how a network should be used but he doesn’t want to sit through the typical operator training. This offers your students an opportunity to Preparing to use the negotiating the single-problem close you could propose that NewNet offers a special network course for Dr. Gray. Perhaps arrange for a NewNet network instructor to conduct a special course at the convenience of Dr. Gray. Arranging for a special course might be called an “executive overview” or something similar. This could give Dr. Gray the perspective and information he needs and might be offered in exchange for his order.

14-22. Refer to chapter 14’s section titled “Adapting to the Customer’s Communication Style.” With this information describe your closing strategy using communication style flexing with each of your contacts for: A. Quality Builders, B. Computerized Labs and C. Lakeside Clinic.

A. Quality Builders Contact is Sherry Britton, and she is a Supportive. You can expect the supportive customer to be slow in making the buying decision. They are more apt to worry about change or taking risks. It’s important to understand their perceived risks so you can reassure them before asking for a buying decision. Curb the desire to put pressure on the supportive customer. Pressure may make this buyer more indecisive. Patience is important.

B. Computerized Labs Contact is Sam Pearlman, and he is a Reflective. Before you ask the reflective customer for a buying decision, make sure you review important factual information. These buyers are less likely to be influenced by emotion. Ask Reflectives, “Is there any other information I can provide before you make a decision?” Never pressure the reflective customer to make a quick decision.

C. Lakeside Clinics Contact is Dr. Jeff Gray, and he is a Director. Most directors are goal-oriented persons who are ready to make quick decisions once they believe your solution meets their needs. They like doing business with salespeople who display confidence that they can give the customer the benefits they want. The director may reject your trial close just to test your confidence level. The highly assertive director will respect persistence and determination.

## Chapter 15—Servicing the Sale

### Regional Accounts Management Case Study—Servicing the Sale with CRM

Your students have taken over a number of accounts of another salesperson, Lee Bizon. Most of these accounts are prospects, which mean that they have not yet purchased from NewNet. Two accounts did purchase networks from Lee: Ms. Karen Murray of Murray D’Zines, and Ms. Judith Albright, owner of Piccadilly Studio. You now want to be sure that these sales will be well serviced.

#### Questions

#### 15-17. Whom should you speak, within NewNet, before following through and contacting Karen Murray and Judith Albright? What would you need to discover?

In addition to meeting with Casey Arnold, you should schedule meetings with NewNet’s technical support team members. Additionally, you should see if Lee Bizon is available for a meeting or telephone call. It will be extremely important for you to know and understand what is reported in each of the Contact and Notes Screens. Your responsibility is to assure customer satisfaction with NewNet and its products.

A check with NewNet’s accounts receivable person who handled these accounts might reveal helpful information. Occasionally, customers will communicate concerns to those to whom they make payments.

15-18. What will be your follow-up strategy for each customer?

Your primary goal in your customer communications will be to express appreciation and determine satisfaction. You need your customers to understand you are assuming full responsibility for their continuing satisfaction and you have all the resources at NewNet to support this. Each customer should be contacted for an appointment or, if possible, visited and asked to describe their feelings about NewNet's products and services.

15-19. Does the fact that these customers initiated their orders (they were not sold the products, they bought them) influence your follow-up strategy?

Those who ordered without being sold by NewNet actually “bought” the products, not the vendor. You should focus on expansion selling of services and products that will add value to their initial purchase.

15-20. Might other customers or prospects be affected by your service activities? How will this influence your activities? Could customer service be your competitive edge?

This question refers to the fact that these two customers and a prospect, Ms. Sherry Britton of Quality Builders, are friends and share information. Students might wish to consider the effect of their servicing the sale activities on all three of these people. Customer service could be the competitive edge. Any customer service problems could easily kill any future sales and referrals.

15-21. Do you see any expansion selling opportunities with Murray D’Zines and Piccadilly Studio? Which *expansion* selling methods should you consider?

There appears to be expansion selling with both accounts. Murray D'Zines appears to need one more network workstation. Piccadilly Studios may need more workstations in addition to possibly needing training and installation services.

**Test Bank—Appendix 2**

The following test bank questions are drawn from **BOTH** the text and case study. Correct answers are highlighted in **bold.** Correct answers to questions drawn from the text contain a reference to the page number in the text.

## Chapter 9—Developing a Prospect Base

### Regional Accounts Management Case Study—Reviewing the Prospect Database

1. Prospecting and account development are important, and customer attrition is inevitable. Of the following, which is **NOT** a common cause of customer attrition?

a. The account may have a one-time need or there is an extended period of time between purchases.

**b. The salesperson may leave the position because of promotion, retirement, resignation, or serious illness. (Page 175)**

c. The customer may move to a new location outside the salesperson’s territory.

d. A firm may go out of business or merge with another company.

e. Sales are lost to the competition.

2. The NewNet’s customer relationship management (CRM) system is a wealth of information about the accounts you are assuming. Looking at the CRM database, which of the former salesperson’s accounts would you immediately contact?

**a. Able Technologies**

b. Aeroflot

c. Southern Motors

d. Bryan Enterprises

e. Computer Products

3. NewNet Regional Account Managers must carefully prospect for customers as well as carefully qualify them. When you examine the current list of prospects in the CRM, which of the accounts may pose a risk?

a. Able Technologies

**b. Bryan Enterprises**

c. Computerized Labs

d. Designers Associates

e. Engineering Software

4. Prospecting and account development should be viewed as a systematic process of locating potential customers. Of the following, which is **NOT** among the primary methods of shortening the sales cycle?

a. Qualify as to need.

b. Qualify as to authority to buy.

**c. Qualify as to size of budget. (Page 176)**

d. Qualify as to ability to pay.

e. Quality as to authority to purchase.

5. Qualifying is the process of identifying prospects that appear to have a need for your product and should be contacted. Top salespeople use \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_to qualify leads effectively.

a. power of observation and positive interaction

b. recommendations and referrals from other firms

c. industry and trade press reviews

**d. good research and analysis skills (Page 185)**

e. other vendors and colleagues

# Chapter 10—Approaching the Customer

# Regional Accounts Management Case Study—Establishing Your Approach

1. Examine the CRM once again. Which of the following is an example in which the team selling presentation strategy successfully used?

a. Computer Products

**b. Computerized Labs**

**c**. Southern Motors

d. Able Technologies

e. Engineering Software

2. The need discovery stage, also commonly referred to as “needs assessment” or “needs analysis process,” is one of the most critical parts of the selling process. Using information from the CRM system, which of the following prospects is not in the need discovery stage?

a. **Quality Builders**

b. Able Technologies, Inc.

c. Engineering Software, Inc.

d. Lakeside Clinic

e. General Contractors

3. Throughout the years, salespeople have identified and used some effective methods to capture the prospect’s attention, arouse interest, and transition into the next step of the presentation. Of the following common methods, which incorporates the “elevator speech,” and is one of the most effective ways to gain the prospect’s attention?

a. **Customer benefit approach (Page 213)**

b. Referral approach

c. Product demonstration approach

d. Agenda approach

e. Premium approach

4. The \_\_\_\_\_\_\_\_\_\_\_\_\_combines elements of the relationship, product, and customer strategies.

a. personal selling strategy

**b. presentation strategy (Page 200)**

c. product strategy

d. customer strategy

e. sales strategy

5. The \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_provides the foundation for a value-added presentation strategy.

a. marketing concept

b. strategic sales plan model

**c. strategic/consultative selling model (Page 200)**

d. relationship strategy model

e. customer strategy model

**Chapter 11—Determining Customer Needs with a Consultative Questioning Strategy**

**Regional Accounts Management Case Study—Needs Discovery**

1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ involves meeting customer needs by asking strategic questions, listening to customers, understanding—and caring about—their problems, selecting the appropriate solution, creating the sales presentation, and following through after the sale.

a. Goal-oriented selling

b. Targeted selling

c. Psychological selling

d. Presentation selling

**e. Consultative selling (Page 223)**

2. Looking at the CRM database, which of the prospects may not progress to needs analysis or needs assessment stage?

a. Southern Motors

b. Landers Engineering

c. Media Conglomerate

d. Mercy Hospital

e. **Bryan Enterprises**

3. Need discovery (sometimes called “need analysis” or “needs assessment”) begins with \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_when the salesperson is acquiring background information on the prospect.

a. pre-presentation

**b. precall preparation (Page 226)**

c. a team assessment

d. the preapproach

e. the precontract stage

4. Based upon research studies, the use of a multiple-questioning strategy to discover customer needs is an effective way for top-performing salespersons to understand the customer. Of the following, which is **NOT** one of the types of need-discovery questions?

**a. Focus group questions (Page 229)**

b. General survey questions

c. Probing questions

d. Confirmation questions

e. Need-satisfaction questions

5. Of the following companies, which demonstrates a situation in which you would have performed extensive need discovery and analysis?

a. Landers Engineering

b. Murray D’Zines

**c. Lakeside Clinic**

d. Piccadilly Studio

e. Bryan Enterprises

## Chapter 12—Creating Value with the Consultative Presentation

### Regional Accounts Management Case Study—Custom-Fitting the Demonstrations

1. Examine the CRM notes. Which of the accounts will most clearly require the use of a combination of consultative sales presentation strategies (informative, persuasive, and reminder)?

a. Landers Engineering

b. Mercy Hospital

**c. Lakeside Clinic**

d. Modern Designs

e. Murray D’Zines

2. Once again examine the CRM notes. Which of the following accounts would likely require a reminder presentation?

a. Landers Engineering

**b. Murray D’Zines**

c. Lakeside Clinic

d. Mercy Hospital

e. Modern Designs

3. Since individual client problems and priorities are unique, every aspect of the sales presentation should \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

a. contain charts, graphs, or other materials that demonstrate understanding.

b. contains a clear strategy and roadmap for operationalizing the recommendations

c. be a combination of informative, reminder, and persuasive presentation tactics.

d. focus on moving the prospect forward to a commitment and a sale.

**e. be adapted to the needs or problems mutually identified by the prospect and the salesperson. (Page 250)**

4. Salespeople who truly represent value to their customers plan ahead strategically for the actions taken during the consultative sales presentation. While all steps are important, which is considered one of the most critical steps in strategically planning for the presentation?

a. **Developing a consultative presentation plan that adds value. (Page 249)**

b. Reviewing prospect information.

c. Review buying motives.

d. Select need-satisfaction presentation strategy.

e. Review product selection.

5. There are many ways to incorporate persuasion into a presentation strategy and most, if used appropriately, will create value for the customer. Which of the following is NOT a recommended method to help create for the customer in a presentation?

a. Target emotional links and use a persuasive vocabulary

b. Sell specific benefits and obtain customer reactions

**c. Do not avoid explaining the negative impact of change (Page 256)**

d. Place the strongest appeal at the beginning or end

e. Use the power of association with metaphors, stories, and testimonials

**Chapter 13—Negotiating Buyer Concerns**

### Regional Accounts Management Case Study—Negotiating Resistance

1. The ultimate goal of formal integrative negotiations is to \_\_\_\_\_\_\_\_\_\_by offering buyers the value they appreciate without compromising the sellers’ benefits.

**a. achieve win-win solutions (Page 271)**

b. achieve customer satisfaction

c. win a long-term client

d. deliver more closed sales

e. deliver acceptable products

2. Which of the following statements is a TRUE statement regarding planning for negotiations?

a. The first step in planning for negotiations is to decide who will be in the negotiation session.

**b. Exhaustive preparation is more important than aggressive argument. (Page 273)**

c. It is of primary importance to consider value only in terms of purchase price.

d. Arrive at a firm price point and do not negotiate away from that price.

e. As a seller, you set the agenda for both sides of the negotiation.

3. Referring to the CRM notes, which of the following best exemplifies a focus on exhaustive preparation and value creation?

a. Landers Engineering

b. Johnson and Associates

**c. Lakeside Clinic**

d. International Studios

e. Ellis Enterprises

4. The CRM notes regarding \_\_\_\_\_\_\_\_ indicate the salesperson’s recognition and understanding of verbal and nonverbal clues and alertness for closing clues.

a. Designers Associates

b. Computer Products

c. Bryan Enterprises

**d. Computerized Labs**

e. Landers Engineering

5. Salespeople learn that patterns of buyer resistance exist and, therefore, they can anticipate that certain concerns may arise during the sales call. The great majority of buyer concerns fall into the following categories:

a. terms, product, time, warranty, and price.

b. product, time, price, source, and financial arrangements.

c. need, product, source, time, and delivery.

d. service, need, source, time, price, and delivery.

**e. need, product, source, time, and price. (Page 278)**

## Chapter 14—Closing the Sale and Confirming the Partnership

### Regional Accounts Management Case Study—Forecasting the Close

1. Closing the sale is usually easier if you look at the \_\_\_\_\_\_\_\_\_\_\_\_\_\_from the prospect’s point of view

**a. value proposition (Page 293)**

b. presentation

c. price structure

d. budget requirements

e. contracting process

2. Closing should be thought of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

a. as a certain way to achieve a sales goal.

**b. as the beginning of a long-term partnership. (Page 294)**

c. as a win for the salesperson and his or her company.

d. as a last step in sales process.

e. as an indication of high-performing salesperson’s behavior.

3. Consult the CRM notes. Which of the following account situations indicates the salesperson recognizes critical closing clues as well as potential roadblocks?

a. Able Technologies

b. Southern Motors

**c. Computerized Labs**

d. Engineering Software

e. Lakeside Clinic

4. High-performing salespersons understand that they must perform certain actions during the close. Which of the following demonstrates that the salesperson is handling tough points early?

a. International Studies

b. General Contractors

c. Engineering Software

**d. Lakeside Clinic**

e. Southern Motors

5. A number of factors increase the odds that you will close the sale. These guidelines for closing the sale have universal application in the field of selling. Which of the following is NOT among the key actions a salesperson should use during the close?

a. Handle tough points early.

b. Keep prospect involved.

c. Recognize closing clues.

d. Focus on point of greatest interest.

**e. Ask for the order once; then be prepared to walk away. (Figure 14.2, Page 295)**

## Chapter 15—Servicing the Sale

### Regional Accounts Management Case Study—Servicing the Sale with CRM

1. In a world of increased global competition and narrowing profit margins, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_can mean the difference between increasing or eroding market share.

**a. customer retention through value-based initiatives (Page 311)**

b. thorough sales planning and execution

c. marketing and sales planning

d. achieving sales goals and objectives

e. properly estimating market share and sales

2. Bill Gates, in his book *Business @ the Speed of Thought*, predicted that in the new millennium \_\_\_\_\_\_\_\_\_\_\_\_may become the primary value-added function.

1. consultative selling
2. **customer service (Page 314)**
3. e-commerce
4. globalization
5. technology

3. High-performance sales personnel do not abdicate responsibility for delivery, installation, warranty interpretation, or other customer service responsibilities. They continue to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_with follow-through, follow-up, and expansion selling.

a. focus on future sales

b. stay in touch

**c. strengthen the partnership (Page 315)**

d. service the sale

e. attempt to secure an additional sale

4. High-performance sales personnel do not abdicate responsibility for delivery, installation, warranty interpretation, or other customer service responsibilities. Of the following, which situation best illustrates the need to focus on after-the-sale-service and follow-up?

a. Southern Motors

b. Bryan Enterprises

c. Computerized Labs

**d. Able Technologies**

e. Designers Associates

5. A dissatisfied customer often tells 8–10 people about his or her problem. Of the following, which is NOT a suggested approach to handle a dissatisfied customer and resolve conflicts?

a. Give customers every opportunity to disclose their feelings.

b. Politely share with the customer your point of view concerning the problem’s cause.

c. Decide what action must be taken to remedy the problem.

d. Do not alibi.

**e. Keep in mind that it really matters whether a complaint is real or perceived. (Page 324)**