SELLING
Building Partnerships

WEITZ • CASTLEBERRY • TANNER

Third Edition

SELLING
Building Partnerships

Bart A. Weitz
University of Florida

Stephen B. Castleberry
University of Minnesota, Duluth

John F. Tanner, Jr.
Baylor University

SELLING: BUILDING PARTNERSHIPS

Irwin/McGraw-Hill

A Division of The **McGraw·Hill** *Companies*

This book is printed on acid-free paper.

Vice president and editorial director: *Michael W. Junior*
Publisher: *Craig S. Beytien*
Executive editor: *Stephen M. Patterson*
Senior developmental editor: *Nancy Barbour*
Senior marketing manager: *Colleen J. Suljic*
Project manager: *Carrie Sestak*
Production supervisor: *Karen Thigpen*
Senior photo research coordinator: *Keri Johnson*
Cover photo: *Will Panich Photography*
Interior designer: *Ellen Pettengell*
Compositor: *Precision Graphics*
Film house: *H&S Graphics, Inc.*
Typeface: *10/12 Sabon*
Printer: *Von Hoffmann Press, Inc.*

http://www.mhhe.com

About the Authors

BARTON A. WEITZ

Dr. Weitz received an undergraduate degree in electrical engineering from MIT and MBA and PhD from Stanford University. He has been on the faculty of the UCLA Graduate School of Management and the Wharton School at the University of Pennsylvania. He is presently the J.C. Penney Eminent Scholar Chair in the College of Business Administration at the University of Florida. Dr. Weitz has received awards for teaching excellence at UCLA and the University of Florida, and has lectured on personal selling effectiveness in executive education programs at UCLA, Northwestern, Wharton, General Electric, and AT&T.

Dr. Weitz is well known for his innovative research on personal effectiveness and sales force management. He has published over 40 articles in marketing and management journals and served on the editorial review boards of numerous journals, including the *Journal of Marketing Research*, the *Journal of Marketing*, and the *Journal of Personal Selling and Sales Management*. Dr. Weitz is the former editor of the *Journal of Marketing Research*. He prepared the definitions for personal selling terms published in the American Marketing Association's *Definition of Marketing Terms*.

Dr. Weitz has considerable industry experience in personal selling and sales management. During his eight years in the electronics industry, he was responsible for selling his firm's products to major aerospace and government accounts and for training sales representatives.

Dr. Weitz is presently a member of the Board of Directors of the National Retail Federation and the Director of the Center for Retailing Education and Research at the University of Florida.

bweitz@dale.cba.ufl.edu

http://www.cba.ufl.edu/CRER/bweitz

STEPHEN B. CASTLEBERRY

Dr. Castleberry received his PhD from the University of Alabama in 1983. He taught at the University of Georgia for six years, and for three years was UARCO Professor of Sales and Marketing at Northern Illinois University. Currently he is a professor of marketing at the University of Minnesota, Duluth. He has received four awards for teaching excellence, with the most recent award being given on the basis of effectively "bringing the real world into the classroom." His commitment to teaching has resulted in a number of cases, as well as articles in the *Journal of Marketing Education* and *Marketing Education Review*, that describe his teaching style and methods.

Dr. Castleberry has developed a strong stream of research that has been published in many journals, including the *Journal of Personal Selling and Sales Management*, *Journal of Business and Industrial Marketing*, *Journal of Business to Business Marketing*, *Journal of Marketing Management*, *Journal of Consumer Marketing*, *Journal of Business Research*, *Journal of the Academy of Marketing Science*, and others. He is past marketing editor of the *Journal of Applied Business Research* and serves on the editorial board of the *Journal of Marketing Theory and Practice*. He has received a variety of research grants and support from such entities as the London Business School, Gillette, Quaker Oats, Kimberly Clark, Procter & Gamble, Coca Cola Foods Division, and the Alexander Group/ JPSSM.

Dr. Castleberry has held a variety of sales assignments with Burroughs Corporation (now Unisys), Nabisco, and G.C. Murphy's. He has worked as a consultant and sales trainer for a number of firms and groups.

scastleb@d.umn.edu

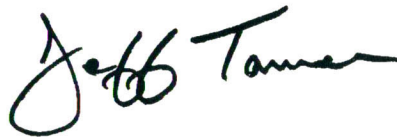http:///www.d.umn.edu/~scastleb

JOHN F. TANNER, JR.

Dr. Tanner is the associate dean for the Hankamer School of Business undergraduate programs and the research director of Baylor University's Center for Professional Selling and associate professor of marketing. He earned his PhD from the University of Georgia. Prior to entering academia, Dr. Tanner spent eight years in industry with Rockwell International and Xerox Corporation as both salesperson and marketing manager.

Dr. Tanner has received several awards for teaching effectiveness and research. His sales teaching efforts have been recognized by *Sales & Marketing Management* and the *Dallas Morning News*. Dr. Tanner is also co-author of several other textbooks, including the new *Business Marketing* text with Bob Dwyer, to be published by Irwin. He also wrote the Center for Exhibition Industry Research's *Faculty Guide to Trade Shows*, an instructor's manual for incorporating trade shows into marketing and small business curricula, which is available free to any interested college faculty; just drop him an e-mail with a postal address.

Research grants from the Center for Exhibition Industry Research, the Institute for the Study of Business Markets, the University Research Council, the Wollongong Group, and others have supported Dr. Tanner's research efforts. Dr. Tanner has published over 30 articles in journals such as the *Journal of Marketing, Journal of Business Research, Journal of Personal Selling and Sales Management*, international journals, and others. He serves on the review boards of several journals, including the *Journal of Marketing Education, Journal of Personal Selling and Sales Management*, and *Journal of Marketing Theory and Practice*.

Dr. Tanner writes two monthly columns, one on sales and sales management topics for *Sales and Marketing Strategies & News* and another on trade show issues for *Ideas*. His other trade publications include *Advertising Age's Business Marketing, Decisions, Sales Managers' Bulletin, American Salesman*, and *Potentials in Marketing*. A nationally recognized speaker and author on issues facing the trade show industry, Dr. Tanner has presented seminars at international conventions of several trade organizations, including the International Exhibitor's Association and the Canadian Association of Exposition Managers.

Jeff_Tanner@BAYLOR.EDU

http://hsb.baylor.edu/html/tanner/

To Edward Weitz, a great father and salesman.

BART WEITZ

To my parents, Katie and Glenn Castleberry, and to the latest little "partner" in my family, Daniel Josiah.

STEVE CASTLEBERRY

To those most precious: My God, my wife, my children, and my parents.

JEFF TANNER

The Irwin/McGraw-Hill Series in Marketing

Preface

What an amazing time to be alive! At a recent ceremony honoring a professor who is 101 years old, we were discussing the changes that had occurred over her lifetime—how small the world must seem now with air travel, automobiles, and so forth.

The changes in business since the second edition of *Selling: Building Partnerships* seem almost as amazing. In the Preface to the last edition, we mentioned that the information highway is becoming a reality. Now, in this edition, we have incorporated Internet exercises into each chapter. Students are already doing their library work from the computer, citing articles downloaded from the Internet.

Faculty are also becoming more experienced with the Internet. Want to find out the latest in teaching selling? Then check out our home page; we will post teaching ideas if you will send them to us via e-mail. We will also call your attention to current articles and other resources for use in your classes.

In spite of the growth of the Internet, face-to-face meetings and personal relationships between sellers and buyers are more important than ever before. The average cost of a sale has come down, thanks to the new technologies and methods of communicating. Yet research indicates that personal visits and personal contact are still the most effective approach for building committed relationships. And as ISO 9000 and other quality initiatives take root, salespeople face growing responsibilities to manage the entire value chain: within their companies, with suppliers, and with customers. All of these factors make the skills of partnering more important now than ever before.

Our Philosophy

The skills of partnering go well beyond the arena of selling a product. Strategic alliances are important to virtually all businesses and all aspects of business. That is why we are excited to see professional selling continue to grow in the number of schools teaching the course, as a required course for marketing majors at many schools, and as part of the core curriculum for all business majors at a few institutions.

Our assumption, then, is not that all students of sales will become salespeople. Students in this course should learn principles of selling so well that they would have enough self-confidence to begin making calls if provided with no additional training by their employers, even if those calls occurred in a nonselling field (for example, an accountant soliciting new business). At the same time, more students than ever before who have no plans to enter the sales profession are being exposed to selling. One of our objectives in this book is to provide sound partnering and communication skills that will be useful no matter what occupations students may enter.

Another objective is to integrate material from other "theory-driven" courses. While nothing may be more practical than a good theory, students sometimes say that this is the only class in which they learned something they could use. We continue to work on integrating material from other courses and disciplines to illustrate the application of theories in the practice of selling. Several of you have told us you have had the same experience and found this book to be useful in integrating material. We are glad we have been successful and hope you find this edition will do an even better job.

Partnering and Sales Education

The importance of partnering to business and partnering skills to students has changed the way sales has been taught. Several unique features place this book at the cutting edge of sales technology and partnering research:

1. A revision of the traditional selling process—approach, opening, making a presentation, demonstrating benefits, overcoming objections, and closing—into the new partnering process. The new process includes strategically planning each sales call within a larger account strategy, making the sales call, strengthening communications, responding helpfully to objections, obtaining commitment, and building partnerships.

2. A thorough description of the partnering and buying processes used by business firms and the changes occurring in these processes, as well as methods of internal and external partnering to deliver total quality.

3. An emphasis throughout the text on the need for salespeople to be flexible—to adapt their strategies to customer needs and buyer social styles.

4. A complete discussion of how effective selling and career growth are achieved through planning and continual learning.

5. The growing role of salespeople in learning organizations to carry the voice of the customer to all parts of the organization and beyond to suppliers and facilitators.

These unique content features are presented in a highly readable format, supported with examples from current sales programs and salespeople and illustrated with four-color exhibits and photographs. If you have used this book before, you will find that almost all Selling Scenarios (boxed field examples) are new to this edition, and all profiles of salespeople (which open each chapter) have been re-written. With so many changes occurring in selling over the past few years, a new edition must, necessarily, be *new*. Yet you will find the same practicality and theory application of the previous editions.

Partnering: From the Field to the Classroom

We have improved the text based on feedback from users and reviewers. What is different is that *Selling: Building Partnerships* was also reviewed by sales executives and field salespeople who are locked in the daily struggle of adapting to the new realities of selling. They have told us what the field is like now, where it is going, and what students must do to prepare themselves for the challenges they will face in the next century.

Students have also reviewed chapters. They are, after all, the ones who must learn from the book. We asked for their input prior to and during the revision process. And, judging by their comments and suggestions, this book is effectively delivering the content.

As you can see in About the Authors, we have spent considerable time in the field in a variety of sales positions. We continue to spend time in the field, observing and serving professional salespeople. We believe the book has benefited greatly from this never-ending developmental process.

Users of the first two editions will find several improvements in this edition:

- *Exploring the Net.* At the end of each chapter, you will find exercises that call on students to use the Internet in addition to the usual end-of-chapter discussion questions and cases. These exercises are designed to encourage the use of the Internet as an everyday tool for gathering information and communicating with others.

- *A greater focus on small and mid-size companies, with examples.* In addition to Fortune 500 firms, we have included examples of small and mid-size firms. We are finding that more students are taking jobs in regional firms, in part due to corporate downsizing but also due to the opportunities such businesses offer.

- *Expanded coverage of prospecting.* Technology continues to change the nature of the sales position, and Chapter Seven now includes prospecting tools such as CD-ROMs, the Internet, e-mail, and other technological advances. The chapter also focuses on selling deeper to customers, prospecting from current customer lists in keeping with the idea of building long-term relationships.

Text Features and Supplement

All features in this edition of *Selling: Building Partnerships* are designed to help instructors be more effective and to help students develop skills they can use every day and in the field.

Profiles of field salespeople set the stage for each chapter. In each profile, the salesperson discusses his or her experiences and how they relate to the material that follows. This edition includes many new and interesting profiles.

Each chapter begins with a series of questions that will guide the student's reading experience. In each chapter, **Selling Scenarios** present the real-life experiences of professional salespeople. Most Selling Scenarios are new to this edition; many were written specifically for the text. The Selling Scenarios are tied to the material within each chapter, reinforcing the concepts and presenting applications of selling principles.

A feature called **Thinking it Through** will help students internalize key concepts. Thinking it Through is an involving exercise that can be the substance for a lively classroom dialogue or a short-essay exam question. Most important for students, Thinking it Through will allow them to experience the concepts as they read, increasing their comprehension and retention. Based on user feedback, we have increased the number of Thinking it Throughs.

Expanded global references are now marked with a global symbol. Most chapters have at least two global references that apply the material to other cultures or settings. A prime example is the negotiations chapter (Chapter Fourteen). All chapters have expanded international coverage, as well as coverage of the multicultural diversity within the United States.

Key Terms at the end of each chapter are followed by page references so the student can easily look up the definitions. The lists of key terms will help students prepare for exams; the chapter references will improve their retention because they will be more likely to read supporting material rather than just a definition. You will find many new terms, such as *learning organization*, discussed in detail in this new edition.

The **Questions and Problems** at the end of each chapter are also designed to involve the student, but in a slightly different manner. Users of the second edition will find many new questions and problems. The questions are designed to (1) integrate concepts and definitions, (2) require

the student to apply a concept to a selling situation, or (3) generate discussion during class. Therefore, students will want to review the questions to study for exams, while the instructor can use them to stimulate classroom discussion. These questions entail more than just looking up a list in the chapter; they require thought and help to develop critical thinking skills. Also, since many are new to this edition, students cannot rely on libraries of stock answers.

New to this edition are internet exercises, **Exploring the Net.** Given the importance of this technology and students' ability to explore the Internet for information, we believe it is important to structure their exploration within the sales area. You'll find a number of exercises that encourage students to apply material from the chapter, integrating it with information found on the Internet. We hope you and your students find these as much fun and as interesting as we have.

Additional References can be found at the end of each chapter. We've used these to guide students for additional research for term papers and other projects. Most of the additional references are academic research articles, but you'll also find practitioner-oriented books and pertinent articles from magazines such as *Sales & Marketing Management* and *Personal Selling Power.*

Cases also appear at the end of each chapter. We have found these cases work well as daily assignments and as frameworks for lectures, discussion, or small-group practices. Some cases are tied to the Videotapes for complete integration. Many of them have been tested in our classes and have been refined based on student feedback. A few user favorites have been revised and updated, but most cases are new.

New **Role Play Cases** are also provided in the text, with various buyer roles in the Instructor's Manual. We have included guidelines for students on how to prepare for role plays. These role plays serve two functions. First, students can practice their partnering skills in a friendly environment that will encourage personal growth. Second, the role plays are written to serve as minicases, which is unique to this text. Student observers will see situations that call for applications of many of the concepts and principles covered in the text. Both vicarious and experiential learning are enhanced for the observers.

We are pleased to include with the text a sample of **GoldMine** software. GoldMine is a contact management software used to create a customer database, which is combined with word-processing, calendaring, and other similar functions. Salespeople can use these to develop strategies, and the calendaring feature helps to set and meet deadlines for their accounts. For salespeople with many customers to keep track of, GoldMine is an excellent tool. Exercises are included in the Instructor's Manual for gaining experience in using this software.

Instructor's manuals are available with every text, but the quality often varies. Because we teach the course every semester, as well as present and participate in basic sales seminars in industry, we believe we have created an **Instructor's Manual** that can significantly assist the instructor. We have also asked instructors what they would like to see in a manual. In addition to suggested course outlines, chapter outlines, lecture suggestions, answers to questions and cases, and transparencies (many that are not from exhibits in the book), we include helpful suggestions on how to use the videotapes. We also include many of the in-class exercises we have developed over the years. These have been subjected to student critique, and we are confident you will find them useful. You will also find a number of additional role play scenarios.

Students do need to practice their selling skills in a selling environment, and they need to do it in a way that is helpful. Small-group practice exercises, complete with instructions for student evaluations, are provided in the Instructor's Manual. These sessions can be held as part of class but are also designed for out-of-class time for instructors who want to save class time for full-length role plays.

The **Test Bank** has been carefully and completely rewritten. Questions are directly tied to the learning goals presented at the beginning of each chapter and the material covered in the Questions and Problems. In addition, test questions cover the key terms. Application questions are provided so that students can demonstrate their understanding of the key concepts by applying those selling principles.

Instructors and students alike have been enthusiastic about the **Videotapes** that were created especially for this package. Corporate training videos, Learning International's Professional Selling Skills seminar, and customized videos developed expressly for this new edition have been carefully integrated with material from the text.

Each segment is short (generally under 10 minutes), with opportunities for stopping and discussing what has been viewed. Students can also watch the videos outside of class. Video information, including in-class and homework exercises, is incorporated into the Instructor's Manual so that all users can make the most of the videos.

We are also pleased to add a new dimension to the ancillary package—a highly interactive **CD-ROM** entitled *Sell to Needs.* This CD is produced by The Wilson Learning Corporation, a firm that has trained millions of individuals around the world to be effective salespeople. Important sales concepts are taught in a highly engaging format with the use of video and stop-action pauses for you to test what you've learned. You'll receive feedback as you go along, learning from correct and incorrect choices that you make. All video scenes and situations are real-world. Once you've learned the material, you move to the Mastery Simulation, an interactive simulation that lets you apply all the skills in a series of challenging scenarios. Some of the scenarios have a time limit and the buyer may end the meeting if you provide a wrong response. Finally, the Sales Builder component helps you to apply and transfer the concepts you have

learned to your own unique selling situation. You can move through the CD in any sequence you desire; you're not forced to follow one path to learning. This encourages the user to come back to the CD again and again, learning form each experience.

We welcome you to visit our website: http://www.cba.ufl.edu/CRER/bweitz/sales

Acknowledgments

Prologue

Selling: Building Partnerships is divided into five parts. In Part One, you will learn about the field of selling. This includes topics such as the nature, role, and rewards of selling and what partnering really means, as well as the legal and ethical responsibilities of salespeople.

Part Two describes the fundamental skills needed to be successful as a salesperson. You will learn about the buying process, the principles for communicating effectively, and methods for adapting to the unique styles and needs of each customer.

In Part Three you will explore the activities performed to build partnerships between buyers and sellers. After completing this section, you should have enhanced skills and understanding about prospecting, planning, discovering needs, using visual aids and conducting demonstrations effectively, responding to objections, obtaining commitment, and providing excellent after-sale service.

Special applications are covered in Part Four. You will learn about formal negotiating as well as the exciting and somewhat unique role of selling to resellers.

Part Five discusses how a salesperson can improve his or her effectiveness. This includes managing your time and territory, working with your company, and managing your career.
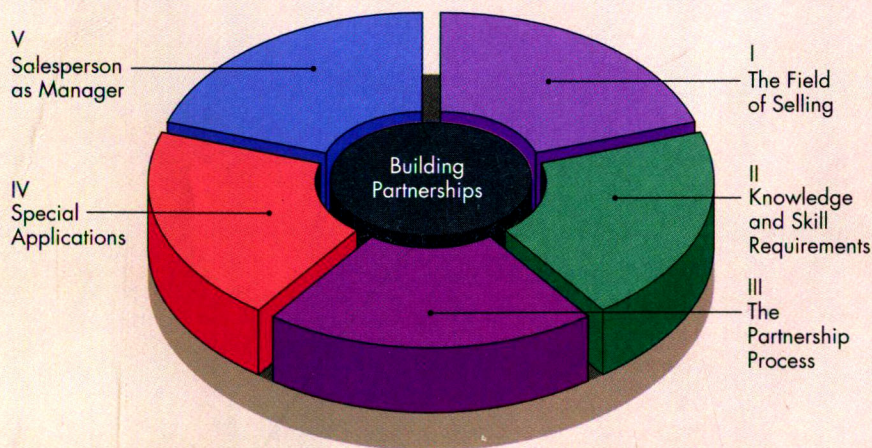
V Salesperson as Manager

IV Special Applications

Building Partnerships

I The Field of Selling

II Knowledge and Skill Requirements

III The Partnership Process

Contents in Brief

Contents