SALES MANAGEMENT CONCEPTS AND CASES

DOUGLAS J. DALRYMPLE

3rd EDITION



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THIRD EDITION

DOUGLAS J. DALRYMPLE

Indiana University







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ABOUT THE AUTHOR

Douglas J. Dalrymple is currently associate professor of marketing in the School of Business at Indiana University. He received his D.B.A. degree in marketing from Michigan State University and his M.S. and B.S. degrees from Cornell University. Professor Dalrymple has taught at the University of California, Los Angeles, the Georgia Institute of Technology, the University of San Diego, and the University of North Carolina, Greensboro. His research emphasizes forecasting and sales force issues and he regularly teaches sales management and marketing management courses. Publications in which his articles have appeared include: *Decision Sciences, Industrial Marketing Management*, the *International Journal of Forecasting*, the *Journal of Business Research, Business Horizons, California Management Review*, and *Applied Economics*. Professor Dalrymple is the coauthor of *Marketing Management: Strategy and Cases* (4th ed.) and the coauthor of *Retailing: An Economic View* and *Retail Management Cases*. Professor Dalrymple is a member of the American Marketing Association, the Institute of Management Science, and the Decision Sciences Institute.

PREFACE

User suggestions have led to a number of improvements in the third edition of this book. First a new chapter on industrial buying has been added as Chapter 4. Students who understand industrial buying procedures make better sales presentations and better sales managers. A new model of the sales management process has also been included to help tie the material in the book together. The total number of cases has been increased to 45 with 24 of the cases new to this edition. Some longer cases have been added for instructors who prefer in-depth problem analysis and group projects. To help students with definitions, a glossary of 200 key words has been included in the Subject Index. In addition, the Sales Management Simulation has been revised and a computerized test bank has been developed. Also the FORECAST diskette prepared for Chapter 6 has been revised and now includes correlation and multiple regression capabilities. Additional upgrades to allow more computer analysis of case materials are in the works.

This book is designed to give business students and MBAs a basic understanding of sales management in 13 text chapters without duplicating material from other courses. The book covers the major topic areas in sufficient depth to challenge the typical student. There is enough material for a one-quarter or a full-semester course. My experience suggests that learning is enhanced when students are exposed to both the principles of sales management and real-world case situations. Thus cases have been placed at the end of each chapter to encourage students to apply what they have learned. This combination of ingredients allows instructors the flexibility to emphasize text or case material as they prefer.

The 45 cases included in the book have been carefully selected to fit the needs of business students. They are meaty cases with an average length of eight and one half pages. Medium-length cases lend themselves to written reports that can be used to evaluate the performance of students in the course. Twenty-seven cases are devoted to selling industrial products and 18 emphasize consumer goods. Seven-

teen cases are set in foreign countries to add an international flavor to the study of sales management. I believe this set of cases is the best currently available for teaching undergraduates and MBAs about sales management.

The book's primary focus is on the activities of first-line field sales managers. Chapter 1 begins by explaining what the job of the sales manager is all about and then describes typical sales management career paths. Chapter 2 discusses strategic planning and budgeting. The emphasis is on how national sales managers set objectives and plan programs to be implemented by the field organization. Personal selling is featured in Chapter 3 so students will understand this topic before they get into management issues. Chapter 4 explains the industrial buying process and its relationship to personal selling. Next, the procedures used to organize a sales force are explained in Chapter 5. Sales managers regularly use data on potentials and predictions of future sales, and Chapter 6 shows how this information is obtained.

Chapter 7 demonstrates how to recruit candidates for the sales force and how to select the best prospects. Once salespeople have been selected, they must be trained so that they understand the products and operating methods of their new employer (Chapter 8). One key to successful sales management is the creation of compensation programs that stimulate and reward the sales force (Chapter 9). Motivation of salespeople is a continual problem for sales managers, and Chapter 10 describes the advantages of noncash incentives such as contests, quotas, and sales meetings. Chapter 11 explains the procedures used to manage time and to design efficient sales territories. Chapter 12 focuses on the overall evaluation and control of field sales programs. The book concludes with a discussion of sales ethics in Chapter 13. An extensive Instructor's Manual has been prepared to go along with the text. The manual includes sample course outlines, case notes, answers to end-of-chapter problems, multiple-choice and true/false questions for each chapter, and transparency masters. The examination questions are also available in diskette form for use with personal computers.

I believe this book provides an attractive combination of text and cases for sales management courses. The text discusses the basic principles of sales management, and the medium-length cases give students experience in solving realistic problems. This combination of materials has worked well for adopters of the first two editions and instructors should find this edition even more useful.

The book could not have been published without the contributions and spirited criticisms of a host of colleagues. I especially thank Ellen Day of the University of Georgia for her expert editorial help. Others who have read and helped improve the book include Russell Abratt, Ohio State University; Mark Bennion and James West of Bowling Green State University; Greg Chermak, Madison Area Technical College; William Cron, Southern Methodist University; Leslie Dawson, University of Lowell; Allan Dubinsky, University of Missouri; Bruce Gunn, Florida State University; John Gwin, University of Virginia; Robert Gwinner, Arizona State University; Douglas Hawes, University of Wyoming; Tom Leigh, University of Georgia; Eldon L. Little, Drake University; Lynn Loudenback, Iowa State University

PREFACE

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Douglas J. Dalrymple

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