



CHAPTER

1

# Sales and Today's Sales Role

## Learning Objectives

- Define and describe sales as a position in an organization
- Understand the benefits associated with a sales role
- Explain the skills and traits that lead to sales success
- Summarize how the sales role has transformed
- Compare and contrast the different types of sales roles
- Evaluate the eight different sales myths



What do the following people have in common?

- A retail associate who works at the local Apple store
- A car dealership salesperson
- A consultant who helps companies improve their internal communications
- A political candidate who seeks election to local office
- A warehouse expert who creates innovative solutions for manufacturing clients
- An entrepreneur trying to secure funding for a startup
- A job candidate interviewing with a new potential employer
- A community activist trying to change a local ordinance or policy
- An attorney attempting to convince a new client to retain their law firm

If you guessed that all of these people are in sales, you are right. Although a retail or car salesperson might represent a more commonly held view of someone working in sales, in today's environment almost everyone engages in sales behavior in some form or another. A consultant has to sell a company on the benefits of her services before she can help them improve internal communications. A political candidate has to sell his ideas in exchange for votes. A warehouse expert is working as a consultative seller to improve customers' businesses. In fact, according to Daniel Pink, author of *To Sell Is Human*, over 10% of the American workforce is employed in a sales role, and those in non-sales roles engage in what would typically be considered sales activities, such as persuasion and influence, approximately 40% of the time.<sup>1</sup> If you learn how to sell effectively, you are much more likely to be successful in your professional life.

In this chapter, we define the sales process and examine the benefits associated with understanding the sales process. We then review the traits and skills associated with sales, briefly describe the transformation of the sales process, and compare and contrast the different types of roles in sales. Finally, we end the chapter with a critique of the eight great myths associated with a sales role.

## What Is Sales?

According to most dictionaries, the term *sales* refers to an exchange of a product or service for money. A career in sales, however, involves much more than this definition reflects. Although the ultimate goal of the selling process may be to exchange a product for money, that activity reflects a simple transaction. In reality, sales includes all the activities related to selling a product or service to a buyer. These activities include, but are not limited to, understanding industries, markets, and products; finding potential customers; learning about customers and their various problems and needs; determining solutions; communicating benefits; monitoring the order process and shipping; ensuring customer satisfaction; and much, much more. It might take a salesperson hours, months, or even years to achieve the result of an exchange of money for a product, depending on the type of product sold and the needs of the customer. And, it is worth noting that the exchange does not always involve a product in exchange for money. Non-profits "sell" potential customers on the value of donations, and consultants "sell" potential customers their ideas and opinions. Regardless of the product or service sold, most salespeople today act as consultants, helping customers solve problems and become more successful. When the customer is successful, the salesperson and the salesperson's company are also successful.

## Why the Sales Function Is So Important

Why is the sales function so important? Put simply, a firm cannot exist without sales. In fact, nothing happens in a business until a sale is made. That sale triggers all other business functions. Consider, for example, the sale of a bathroom vanity to a custom home builder. Once that purchase is made, buyers must purchase the materials needed to make the vanity. Employees in manufacturing use those materials to create the vanity. Employees working in the warehouse then ship the vanity to the customer, while accountants send the customer a bill and follow-up on payment. Human Resources personnel hire all the employees involved in making the bathroom vanity. Each one of these employees is paid using the revenue generated by the salesperson. Without the salesperson, the company could not survive.

## The Benefits of Sales Experience and Understanding the Sales Process

The opportunities available to students interested in a sales career are immense. Why? Because nothing happens in a business until somebody makes a sale. That sale sets into motion all other business functions, from accounting to shipping to hiring and recruiting. Every industry and every company, from small business-to-consumer retail stores to massive manufacturers, needs someone to start the sales process for the company to stay in business. There are several reasons why understanding the sales process is beneficial.

## Take Advantage of the Global Sales Talent Shortage

Because every company and industry seeks to hire highly qualified sales talent, a sales talent shortage has developed globally. Manpower Group has routinely identified the role of the sales representative as one of the most difficult to fill, with the sales role included in the top five most difficult positions to fill for each of the last ten years.<sup>2</sup> Further, CSO Insights has reported in their 2018 Sales Talent Study that only 16% of sales executives believe they have the necessary sales talent in place in their organizations to ensure ongoing success.<sup>3</sup> What does this mean for an undergraduate student in a sales class? Job opportunities in sales are plentiful. Table 1-1 illustrates employment projections for sales and sales-related occupations through 2026, as reported by the Bureau of Labor Statistics, United States Department of Labor. Total sales-related jobs are expected to rise 7.1% over the next ten years, with an average median annual wage of almost \$71,000. Demand is expected to increase in all roles reported except for advertising sales.

Given this demand for sales talent, it is not surprising that approximately 30% of business graduates and 80% of marketing majors accept a sales position immediately after graduation.<sup>4,5</sup> Not all of these graduates, however, have taken a sales class and understand what it means to be a sales professional. Those who develop a strong set of sales skills and a professional attitude can make the most of this important career opportunity.

## Make a Meaningful Contribution Quickly

For people wishing to make a quick and meaningful impact on a company, sales could be the right career choice. Salespeople who put forth a great deal of effort and succeed early on are likely to be noticed by superiors and may receive an early

**Table 1-1** Employment Projections through 2026, Sales and Sales-Related Occupations

Occupation Title	Employment 2016 (thousands)	Projected Employment 2026 (thou- sands)	Projected Employment change, 2016- 2026 (thousands)	Projected Employment change, 2016- 2026 (percent)	Projected Occupational open- ings, 2016-2026 annual average (thousands)	2018 median annual wage
Advertising sales agents	149.9	144.5	-5.4	-3.6	17.7	\$51,740
Insurance sales agents	501.4	551.2	49.8	9.9	54.7	\$50,600
Personal financial advisors	271.9	312.3	40.4	14.9	25.5	\$88,890
Real estate brokers	95.3	100	4.7	4.9	9.3	\$58,210
Real estate sales agents	348.8	369	20.2	5.8	34.4	\$48,690
Sales engineers	74.9	80.1	5.2	6.9	8.3	\$101,420
Sales managers	385.5	414.4	28.9	7.5	36.3	\$124,220
Sales representatives, services, all other	983	1,077.90	94.9	9.7	131	\$54,550
Sales representatives, wholesale and manufacturing, except technical and scientific products	1,469.90	1,546.30	76.4	5.2	158.4	\$58,510
Sales representatives, wholesale and manufacturing, technical and scientific products	343.6	361.3	17.6	5.1	37	\$79,680
Securities, commodities, and financial services sales agents	375.7	398.9	23.3	6.2	38	\$64,120
<b>TOTAL SALES-RELATED JOBS</b>	<b>4999.9</b>	<b>5355.9</b>	<b>356</b>	<b>7.1</b>	<b>550.6</b>	<b>\$70,966.36</b>

Source: Bureau of Labor Statistics, United States Department of Labor, <https://data.bls.gov/projections/occupationProj>, Accessed 5.25.2019.

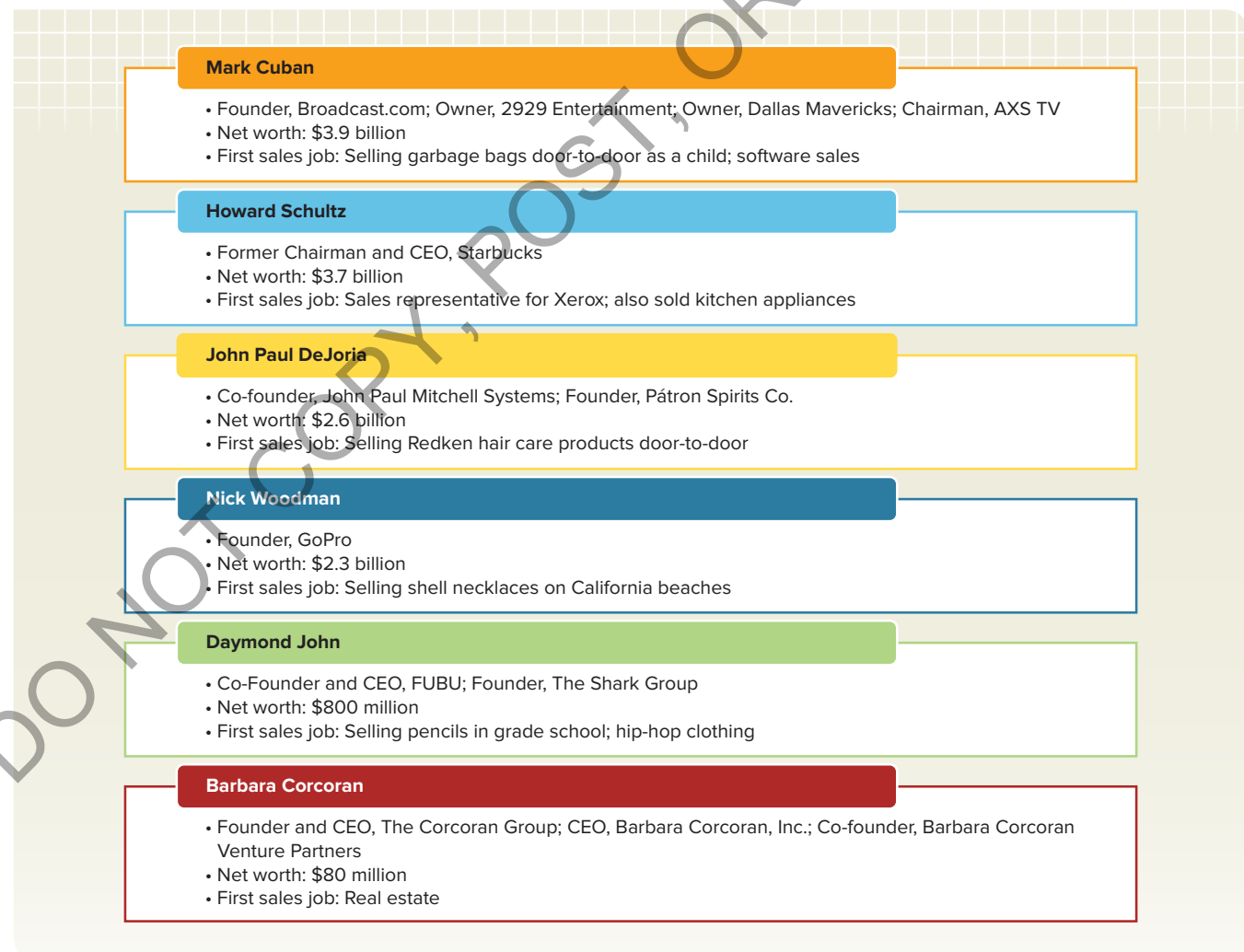
promotion. Evaluation of the sales role is performance-based; performing well is rewarded with commissions, bonuses, and/or promotions. Such salespeople would have the opportunity to take on important company roles at a young age.

Furthermore, because salespeople bring in revenues for the firm, the sales role can be a spotlight career for top performers. As figure 1-1 illustrates, many well-known, successful business people got their start in sales. Howard Schultz, CEO of Starbucks, began his career as a sales representative at Xerox. One of the world's richest men, Warren Buffett, started his career selling securities (after a stint as a paperboy). Billionaire Mark Cuban (Dallas Mavericks, Shark Tank) started his path to fame and fortune selling software. William C. Weldon, retired CEO of Johnson & Johnson, started his career at the same firm as a pharmaceutical representative.<sup>6</sup> Success as a salesperson can drive your career into many exciting directions if you take advantage of the opportunities created.

### Build a Powerful Network

In the book *Endless Referrals*, author Bob Burg defines a network as “an arrangement of people crossed at regular intervals by other people, all of whom are cultivating mutually beneficial, give-and-take, win-win relationships with each

**Figure 1-1** Business Giants Who Started in Sales



Sources: Efti, Steli. <https://blog.close.com/5-mega-successful-entrepreneurs-who-launched-their-careers-in-sales>. <https://money.cnn.com/interactive/economy/my-american-success-story-daymond-john/index.html>. <https://wealthygorilla.com/barbara-corcoran-net-worth/>.

other.” In the highly acclaimed book *The Go-Giver*, authors Bob Burg and John David Mann expand on this idea by discussing the value of having your own “army of personal walking ambassadors.”<sup>7</sup> In other words, the more people we know and are in our corner, the more people who can help us, and whom we can help. With a strong network, you can communicate with colleagues to further develop sales skills, get feedback on how to deal with a customer problem, find a mentor, or find a new job, among other things.

**referral**  
when someone voluntarily provides the name of a potential customer

Importantly, a strong network can result in referrals. A **referral** occurs when someone provides the name of a potential customer. Referrals are very powerful and can help in a variety of ways. In sales, referrals are an excellent way to expand your customer base. Referrals are also extremely helpful when trying to find a first job or switch jobs mid-career. A powerful network means you have more influence, and more influence means you can add more value to more people.

### Build a Flexible Career

A career in sales offers flexibility that can be beneficial as your life and priorities change over time. If in outside sales, you may work from a home office. Even with an inside sales job, working out of an office, a flexible schedule is likely. Companies care most about the ability to meet and exceed sales goals and deliver value to customers and the employer. If a salesperson is delivering on these expectations, then there is more flexibility. For example, get all your calls in for the day, and you might be able to take off early to see your child’s soccer game.

Keep in mind, of course, that with this flexibility comes responsibility. Good time management skills and internal motivation are crucial to being successful in this type of environment. The salesperson must deliver on your performance goals. Moreover, the flexibility will need to be extended to customers; if a customer has a problem after 5:00 p.m., for example, it will likely be important to take that call. Ultimately, a flexible career is very beneficial if you have the organizational skills and drive to make it work for yourself, the company, and the customers.

### Be in Charge of Your Destiny

Many people who are in sales say they enjoy being in charge of their destiny. This benefit ties to sales compensation plans. Although some straight-salary sales jobs exist, most sales roles include a base salary plus some form of bonus and commission structure (see Table 1-2 for examples). The harder you work, and the better

**Table 1-2** Examples of Sales Compensation Plans

Compensation Plan	Definition
Salary Only	The sales representative is paid a salary without a bonus or commission; the salary is not tied to productivity.
Straight-Line Commission	The sales representative is paid based on how much that representative sells; 100% of the compensation paid is from commission earned on sales. The commission paid is usually somewhere between 5% and 45% of sales.
Base Salary Plus Commission	The sales representative earns a fixed annual salary plus commission, providing the safety of a salary plus a motivational incentive. The industry standard is 60% salary, 40% commission.
Base Salary Plus Bonus	Similar to <i>Base Salary Plus Commission</i> , in that the sales representative earns a fixed salary. However, instead of earning a commission, the representative earns a fixed bonus amount for achieving set goals.

Source: Baker, Kristen. “The Ultimate Guide to Sales Compensation.” Hubspot. [https://blog.hubspot.com/sales/sales-compensation?\\_ga=2.152612479.736291923.1556077506-54427254.1534474280](https://blog.hubspot.com/sales/sales-compensation?_ga=2.152612479.736291923.1556077506-54427254.1534474280).

the performance, the higher the compensation. Because there is a direct correlation between effort and performance, the salesperson is responsible for the outcomes. For someone who wants to create his or her own success, a sales role can be a good fit.

### Get the Desired Job or Promotion

Even if we don't end up in a sales role, the selling skills are invaluable. How? On every job interview, we are selling our skills and value. Need a raise? We can use our selling skills to negotiate a positive outcome with our boss. Heading into an accounting position at a top accounting firm? Accountants who make partner bring clients to the business; whether the accountants realize it or not, that is a sales role. Starting our own business? We will need to sell our idea to investors as well as to customers. The list goes on and on.

Perhaps Daniel Pink sums it up best in *To Sell Is Human*: "The ability to move others to exchange what they have for what we have is crucial to our survival and our happiness."<sup>8</sup> Regardless of the career path, if working in a business, you will need to understand customers. Having a sales role early in a career supplies the opportunity to develop intuition about customer behavior. Most product and marketing managers begin their careers in sales because it gives them experience applying marketing concepts one customer at a time. Further, because salespeople drive business growth, successful salespeople often are rewarded with additional leadership opportunities. As a consequence, everyone can benefit from understanding how to sell.

### Sales and Entrepreneurs

Related to the previous discussion, aspiring entrepreneurs also benefit from starting their careers in a sales role. Experts have noted that how one sells can be more important than what one sells. When early-stage entrepreneurs fail, it is usually because they do a poor job at selling their ideas, not because the product or business idea is bad. Understanding how to sell is especially important to entrepreneurs, who must sell their products or business idea not only to potential customers but also to potential investors and other sources of capital.

One author offers five reasons that entrepreneurs should start in sales prior to starting a business: (1) build tenacity and the ability to deal with failure and rejection, (2) improve networking skills, (3) improve the ability to make persuasive arguments, (4) learn how to set and achieve realistic goals, and (5) understand what customers and markets are seeking.<sup>9</sup> Others suggest entrepreneurs can benefit from understanding how to identify customer problems, becoming comfortable with approaching qualified prospects and asking for referrals, recognizing the need to focus on the problems solved by a product rather than the product itself, and understanding how to sell the company.<sup>10</sup> Entrepreneurs can improve their chances of success tremendously by learning how to sell.

## The Sales Professional: What Leads to Sales Success?

Now that it is clear that knowing and being able to apply the sales process is a benefit, perhaps we should consider what skills and traits lead to sales success. When we ask students what they think are the top traits of successful salespeople, they usually say things like "good speaking skills" and "extrovert." Although extroverts with good speaking skills can be successful salespeople, these traits don't necessarily lead to sales success. Students are often surprised to learn that introverts can be very successful in sales. So, what traits and skills do lead to sales success?

## Strong Communication Skills

Certainly, the ability to speak and present can contribute to sales success. But other communication skills are equally, and in some cases even more, important. The communication skill routinely identified as most important to sales success is *listening*. Surprised? Yes, successful salespeople spend most of their time asking good questions and subsequently listening to the answers, not talking endlessly about their products.

### active listening

hearing what an individual says, internally evaluating the message and then responding to confirm the message was received as intended

Of particular importance is **active listening**, a distinct type of listening in which the person listening receives a message from an individual, internally evaluates that message and then responds to the message sender to confirm the message was received as intended.<sup>11</sup> Active listening is the best way to uncover what customers need and want. Active listening and asking good questions may also help uncover problems in the customer's company they may not have recognized. Not surprisingly, research has found that a customer's perceptions of a salesperson's listening behavior affect the relationship between that customer and salesperson, including trust development and anticipation of future interactions.<sup>12</sup> The good news is that it is possible to develop your active listening and questioning skills. And, a quick note to the introverts reading this textbook—research by Adam Grant on introverts, extroverts, and ambiverts (individuals in the middle of the extrovert scale who display traits of both introverts and extroverts) indicates that you can be very successful in sales by taking advantage of your natural tendency to listen rather than speak.<sup>13</sup>

Writing skills are also important to salespeople. Much communication will take place via email and text. Emailing and texting with a client, however, are much different than with friends. Your writing—even when using more informal modes of communication—sends a message about your level of competence and professionalism. The person who possesses or develops strong writing skills will surpass many peers and competitors.

## Negotiation Skills

### negotiation

a bargaining process focused on reaching an agreement or compromise

**Negotiation** is a bargaining process focused on reaching an agreement or compromise. Or, as stated by negotiation expert G. Richard Shell, a “negotiation is an interactive communication process that may take place whenever we want something from someone else or another person wants something from us.”<sup>14</sup> Not surprisingly, buyers and sellers frequently find themselves in a position to negotiate something, whether it be a purchase price, contract terms, or some other detail. As such, salespeople need to possess good negotiation skills.

Everyone engages in negotiation at some point. A child may have negotiated bedtime or allowance. An adult will likely negotiate a car or house purchase. Still, not everyone has the strong negotiation skills needed in a sales role. Fortunately, negotiation skills can be learned, practiced, and improved.

## Business Acumen

### business acumen

the ability to understand and address business situations quickly and effectively

In the past, salespeople sold products and took orders. Although this remains true for some sales roles (largely in the retail sector), it is not accurate for the bulk of business-to-business sales positions. Today's seller is a consultant for clients, helping those customers improve their businesses and make their lives easier. Thus, **business acumen**—the ability to understand and address business situations quickly and effectively—is a crucial skill to possess.

As noted by author Bob Rickert in the book *Profit Heroes*, sales today is about contributing to the customer's documented profitability and earnings.<sup>15</sup> As a consequence, a successful salesperson needs to be familiar with all aspects of a business: not only sales and marketing, but also accounting and finance. The salesperson who



understands how the product or service can help improve the customer's revenue stream and cost structures, and who can articulate that solution effectively, will be a tremendous asset for the client.

### Other-Focused

Contrary to popular belief, sales is not about the salesperson and how much the person can sell. It is about how much value can be brought to customers and how to help improve their lives. By staying focused on delivering value to others rather than turning inward, the sales results will follow. One of the classic books on this topic is the previously mentioned *The Go-Giver*.<sup>16</sup> Through the use of a parable, authors Bob Burg and John David Mann relay a series of “laws” that will help enable tremendous success. One of the most important messages in this book is to stay focused on others and provide more value than we receive. This philosophy, more than anything else, is the underpinning of sales success.

One sales program alumnus provides an example of how staying focused on others can lead to success. A recent graduate of a university sales program once called his professor to tell her he had been named top salesperson for the quarter. He had graduated eight months earlier and earned this honor over colleagues who had been selling 20 years or more. When asked what he was doing to be successful, he said he woke up each day and thought about how he could make his customers' lives better. He focused on adding value daily, and the rest fell into place. Everyone won—the customer, the salesperson's company, and the salesperson.

### Resilient with a Will to Win

Resilience is an important trait for salespeople, largely because salespeople deal with rejection on a routine basis. Rejection is a normal part of sales. Not every sales call will be successful, and most won't. To handle this rejection successfully, one must be resilient and be able to remove emotion from the equation. The customer is not rejecting you; rather, your product is not the right fit, or it is not clear to the customer how your product will provide a solution to the problem. After recognizing that the rejection is not personal, the ability to deal with it becomes much easier.

A “will to win” goes hand-in-hand with resilience. Competitiveness can lead to sales success. Some employers call this trait “fire in the belly.” Scholar and author Angela Duckworth identifies this trait as **grit**, a never-give-up attitude based on both passion and perseverance. According to Duckworth, grit relies heavily on effort: effort builds skill, and effort makes skill productive.<sup>17</sup> When you possess grit, you will be able to deal with the rejection more easily, be driven to beat your goals, and also handle the freedom that can come with the sales role because you are willing to work as hard as it takes to achieve your goals. What it does NOT mean is a desire to win at all costs. Rather, you have a desire to win *and* help your clients win, too.

**grit**  
a never-give-up attitude based on both passion and perseverance

### Self-Motivated and Willingness to Accept Challenge

Business speaker and author David McNally states that “motivation is completely and entirely an inside job.”<sup>18</sup> In other words, only we can motivate ourselves to do something; no one else can do that for us. Extrinsic rewards such as compensation and bonuses *can* encourage certain activities. However, without internal motivation, the effects of external rewards will be short-lived. Self-motivation will keep us driving toward goals in the face of rejection and other obstacles.

A willingness to challenge yourself is another important trait. Are you willing to push the boundaries of your comfort zone to get on the phone and call someone you have never met? Will you push past your fear of leading a presentation or asking for the sale? Getting comfortable with being uncomfortable can help you grow both personally and professionally. Internship training at one organization, for example,

includes phone calls to potential customers who have been difficult to approach. These calls can be tough, and the interns experience not only rejection but rudeness. Successful interns are the ones who push past their fears to start making these calls and learn from each effort. Over time, the calls get easier as the interns learn what works well and what to avoid. They also continue to build their resilience.

### Dedicated to Lifelong Learning

Good salespeople dedicate time to their craft. They read sales books and attend training sessions. They do role-plays at work, and they discuss their sales approach with their colleagues, sales managers, and mentors or coaches. Their goal is continuous improvement because improving selling skills improves performance. If you've been an athlete or musician at some point in your past, you know that the only way to stay performance-ready is through continued practice and learning. The same is true for sales.

### Ability to Constantly Learn and Use New Technology

Companies have more access to sales technology than ever before. As a consequence, today's salespeople are very likely to be using one or more types of technology. The good news is that members of the younger generation are very comfortable with technology. Success, however, requires that one be not only comfortable with technology but also devoted to constantly learning about new technologies and learning how to use them effectively to grow sales and serve the clients.

In this textbook, we'll discuss many new forms of technology that directly affect sales, but the most common sales technology in use today is a **Customer Relationship Management (CRM)** system, which helps manage a company's data, information, and interaction with current and potential customers. Many companies use cloud-based systems such as Salesforce.com or Microsoft Dynamics, to name a few, to manage customer interaction, share information, and track potential and won sales. These systems incorporate constantly advancing technology to provide more comprehensive information about customers. The better you are at learning and using your company's systems, the better you can keep your sales process moving toward closing and better serve the customers.

Customer relationship management systems represent just one form of technology. Salespeople commonly use LinkedIn to search for potential customers and companies such as HubSpot for social selling. Software exists to help map sales territory or improve sales conversation skills. The variety of sales enablement tools is mind-boggling. Importantly, the key is to understand how to use these tools efficiently to leverage them in order to exceed goals and serve customers more effectively.

### Good Time Management Skills

Because the sales role is so flexible, good time management skills are a must. If working from a home office, your commute might be 10 yards down the hallway. The temptation to sleep in or to work on personal projects will be great, without planning the day and organizing the time effectively. Successful salespeople use the previously discussed technology, as well as a calendar system, to keep themselves organized. Important calls need to be scheduled, and deadlines noted. There will be paperwork that needs to be completed for the company, in addition to sales calls to complete and shipments to verify. The abilities to be organized and create a structure for the workday are of critical importance in a job that can, at times, be hectic.

It is also important to protect your calendar and make time for important activities. Mike Weinberg, author of several influential sales books, including *New Sales. Simplified.* and *#SalesTruth*, notes that salespeople responsible for

#### Customer Relationship Management (CRM)

A system for managing a company's data, information, and interaction with current and potential customers.

**new business development**, the activities associated with adding new customers, must block time on their calendars for **prospecting**, which is identifying individuals or companies who may need the selling firm's products or services.<sup>19</sup> A salesperson to whose role prospecting is important should block time each day to make sure to complete the activity. If another activity is important, you should reserve time on the calendar for that activity. An activity that is put on your calendar is more likely to be completed.

**new business development**  
the activities associated with adding new customers

**prospecting**  
identifying individuals or companies who may need the selling firm's products or services

## Professional with High Integrity

Throughout history, society has often had a negative impression of salespeople. This reputation stems, in part, from experiences people have had with unprofessional salespeople. Think about your own experiences. Have you ever encountered a salesperson who behaved less than professionally? How did that make you feel? Salespeople who lack professionalism, or who tend to demonstrate manipulative sales tactics, make a very bad impression. The best way to change this negative perception is to behave as a true professional.

What does it mean to be a professional? It means keeping your word, being reliable, and dependable. You maintain open lines of communication, and that communication has a professional tone. You dress appropriately for the industry and customers (see Figure 1-2 for examples). You care about the job and clients, and always behaves with integrity. Salespeople are often perceived to be unethical because they are attempting to persuade. To counter this perception, the

**Figure 1-2** What Is Professional Dress?



salesperson should keep clients' best interests in mind and concentrate on doing the right thing at all times. In the long run, this will increase the likelihood of success. Customers and potential customers are more likely to do business with a salesperson they know, like, and trust.<sup>20</sup>

## Are Good Salespeople Born or Made?

Some people will argue that good salespeople are born, not made. In other words, if you are born an extrovert with a gift for conversation and interpersonal skills, you are likely to be successful at sales. Although those skills can be helpful in a sales career, the career demands much more than a sparkling personality. Sales is a process requiring listening, excellent questioning, great attention to detail, and empathy for others. These skills can be learned; in fact, research has shown that regardless of personality type, salespeople can be successful if they learn the ability to influence decisions, one component of the sales process.<sup>21</sup> Like any skill, repetitive practice is critical to developing proficiency. The more one practices, the better the sales skill set, and the greater the success. Remember: effort equals results.

## The Transformation of the Sales Process: The Sales Timeline

Selling as a profession has been around for hundreds of years since peddlers sold their wares via horse-drawn wagons. However, the transformation of the sales role from a peddler to a modern professional salesperson has taken place more recently. Still, events that occurred many years ago set the stage for what is happening today.

In an interesting blog post, author Matt Smith notes that sales role specialization began in 1870 with insurance sales, as insurance companies developed sales producer and sales collector roles that quickly caught on in other industries. Next, in 1924, International Business Machines (IBM) founder Thomas J. Watson, Sr., focused on creating and implementing sales training programs and recruiting college-educated sales representatives. Shortly after that, in 1925, E.K. Strong published *The Psychology of Selling*, a book featuring sales principles still taught today. Around this same time, entrepreneur and sales trainer Dale Carnegie began sales training that delineated sales as a repeatable process that could be learned.<sup>22</sup>

Through the 1950s and 1960s, door-to-door selling was the norm. Another big change occurred in the late 1960s and 1970s, as sales began to move toward a customer-oriented model. In the 1970s, legendary sales trainers and consultants like Zig Ziglar, Brian Tracy, and Tom Hopkins began to build what are now world-renowned organizations for sales training and coaching. Importantly, their sales training methods focused on consultative selling are still in use today. In the 21st century, salespeople are strategic business partners who help their customers grow and become more successful. The sales role has truly transformed from one focused on selling a given product to one focused on helping customers achieve success.

## Variety in Sales Roles

Not all sales roles are the same, and some roles are a better fit for some than others. More comfortable managing customer relationships? Then perhaps account management might be appropriate. Competitive and like the thrill of winning the deal? Then perhaps business development. The following list describes a

few of the sales roles found in companies, along with a brief description of what the role entails. Understanding your own strengths and the responsibilities of the position will help with an effective career search.

## Account Management

An **account manager** takes care of existing clients. Sometimes known as “farmers,” salespeople in this role are nurturing relationships and working with clients to improve business. They meet with their clients regularly to discuss current sales and opportunities with new products. They track the customer’s orders to ensure on-time delivery and problem-solve as needed. If the client needs a new product, they bring in other members of their team to help in the design process. Account managers focus on developing customer satisfaction and selling more to current clients. Account management is an important role in selling firms because selling products to existing clients tends to be more profitable than trying to attract new clients.

### **account manager**

focusing on developing customer satisfaction and selling more to current clients

### **farmers**

another term for salespeople responsible for nurturing relationships with existing customers

## New Business Development

Whereas account managers are “farmers,” new business development representatives are sometimes called “hunters” because they are hunting for new business. In other words, new business development representatives are responsible for the activities involved in identifying and pursuing new business opportunities. Salespeople charged with bringing new business into the firm are focused on prospecting. They develop a strong network and work with the members of their network to identify prospective customers and obtain referrals. They also engage in **cold calling**, which is attempting to meet or speak with someone they have never met or contacted before. Once they get an appointment, they work with the prospect to determine whether their solution is a good fit for that company. If the fit is good and the customer sees the value, they will close the business.

### **hunters**

another term for salespeople responsible for new business development

### **cold-calling**

attempting to meet or speak with someone they have never met or contacted before

Some readers may be familiar with *Top Hat* education and learning platform. *Top Hat* divides its sales force into distinct new business development and account management roles. The new business development representative finds new prospects, demonstrates the product, answers any questions, and secures the sale. Once an instructor agrees to use *Top Hat*, that instructor is turned over to an account manager who helps set up the class and provides ongoing support.

Alternatively, sometimes the account management and new business development roles are merged into one role. This dual role is more challenging because one must assume both aspects of the sale: hunting and farming. If responsibilities do include taking care of existing customers and finding new customers, one will need to build time into the day for prospecting. People more comfortable with the farming role sometimes find the new business development role difficult. But with planning and preparation, it is manageable.

## Strategic Account Management

**Strategic account management (SAM)** is “the selection, establishment, and maintenance of close institutional relationships with a firm’s most important customers.”<sup>23</sup> Thus, **strategic account managers** are responsible for overseeing several of the firm’s most important accounts. For example, someone serving as a strategic account manager for a major athletics manufacturer might be in charge of five accounts ranging from a small group of department stores to a nationwide chain of sporting goods retailers. These accounts generate a substantial amount of revenue for the selling firm and thus are worth dedicating an individual to ensure the appropriate solutions provided. In our athletic manufacturer example, the strategic account manager would work with the customer to plan out purchases

### **strategic account management**

the selection, establishment, and maintenance of close institutional relationships with a firm’s most important customers

### **strategic account managers**

responsible for overseeing several of the firm’s most important accounts

over the year, develop specialized promotion campaigns, and follow up with the client frequently to ensure the selling firm has met all of the client's needs.

A salesperson interested in becoming a strategic account manager should make sure to perform well early in his or her sales career: experienced sales representatives or account managers who also demonstrate their abilities to perform at top levels are most likely to be placed in SAM roles. Only the best sales representatives get to work with the top clients. Ryan Knight is a Field Enterprise Specialist for Dell EMC. He began his career with Dell in inside commercial sales and then moved to inside commercial specialty management before his current role. Today, Ryan works with the 15 largest accounts headquartered in his Midwest territory. His SAM role is focused on relationship building and maintenance and involves working with his clients on strategic planning, financial models, and proposal development.

### Missionary Selling

#### missionary selling

educating customers about a product/service and encouraging them to use it

Missionary salespeople do not close sales in the traditional sense. The main focus of **missionary selling** is education. In other words, they educate customers about their product and then encourage them to use it. The customer does not order directly from the missionary sales representative. A classic example of a missionary salesperson is a pharmaceutical sales representative who calls on doctors to inform them about the medications the salesperson represents. This representative would teach the doctor about the drug, including how it works and how it can help patients. The "sale" is not completed, however, until the doctor prescribes the medication for a patient.

Missionary salespeople exist in other industries and roles. Athletic-maker Nike, for example, used to employ missionary salespeople to educate retail sellers on the different products offered and set up displays in stores. These missionary salespeople worked in conjunction with account executives responsible for selling the product. The missionary seller helps create goodwill, improve the customer experience, and increase the value provided by the selling organization.

### Sales Engineers

#### sales engineers

use expertise to help develop appropriate solutions for customers and prospective customers

**Sales engineers** use their technical and scientific expertise to help develop appropriate solutions for customers and prospective customers. Often working with an account manager or selling team, the value added by the sales engineer is the ability to work with the customer's technical experts or engineers and ensure that the solution under consideration will resolve the customer's issue, perhaps even designing new products for the situation. Consider, for example, the design and building of a New York City skyscraper. A seller of piping and pipe couplings might involve a sales engineer in the process to ensure that the products selected will meet building requirements and perform as expected. After the sale, the sales engineer may continue to work with the customer to ensure implementation goes as planned and troubleshoot any problems that arise on-site.

Sales engineers have many opportunities. As noted in Table 1-1, jobs for sales engineers are expected to grow by 7% between 2016 and 2026. Further, sales engineering roles commanded one of the highest median salaries among all sales roles in 2018.

### Outside Sales Representative

#### field sales, outside sales representative

sell in-person and work a defined territory

Also referred to as **field sales**, **outside sales representatives** sell in-person and work a defined territory. The size and definition of that territory will vary widely by company and location. If selling the technology in Manhattan, NY, your territory may be a few city blocks, given a large number of businesses located in those city blocks. Alternatively, your territory might consist of a few adjacent states or even the eastern United States. In some cases, you can drive to visit customers and

potential customers. If the territory is larger, you may need to fly. With a large territory, you would expect to do a great deal of overnight travel.

Many people involved in outside sales enjoy the freedom and flexibility associated with the role. They work with their clients to set their schedules and may work out of a home office. Their company may provide them with a car and an expense account. Visiting with a potential customer face-to-face has many advantages, such as the ability to read body language and receive immediate feedback. They can also learn a great deal by visiting a client's place of business.

### Inside Sales Representative

**Inside sales representatives** use the telephone or voice over internet protocol (VoIP) to approach and sell to customers and potential buyers rather than visiting face-to-face. Although often confused with the inconvenient telemarketing calls received at dinnertime, inside sales activities in a business-to-business setting provide value for customers as well as selling firms. Inside salespeople might serve in sales support, account management, or new business development, among other roles. Further, inside sales positions often serve as a training position for outside sales; in other words, if you want to be in outside sales, there is a high likelihood you will need to start in inside sales. Although many people do want to move to outside sales, others enjoy the benefits of being in a sales role without the travel associated with outside sales.

**inside sales representative** role involving the use of phone and technology to interact with potential buyers rather than visiting face-to-face

In some cases, inside sales representatives are responsible for helping outside sales representatives provide services to clients. Security Benefit Corporation, a leading retirement solutions provider, headquartered in Topeka, Kansas, maintains both inside and outside sales forces. The inside sales force helps the outside sales representatives set appointments and service clients, and it also has direct responsibility for smaller accounts. In other cases, the company maintains an inside sales force to handle all selling functions. Shamrock Trading Corporation, a rapidly growing firm with headquarters in the Midwest and operating in the transportation industry, uses an inside sales force for all of its services, from transportation logistics to international trade finance to discount programs for trucking companies.

### Other Roles

Table 1-3 provides a review of the previously described roles. Notably, this review is just a glimpse of the most common job titles and sales roles in organizations. Different organizations may use different titles for similar jobs or may have completely different roles. Some firms may use the title "account executive" for "account managers," or "key account managers" for "strategic account managers," for example. Sales organizations use the titles and roles that make the most sense for their companies and industries.

As individuals learn more about sales, they tend to find themselves more attracted to certain roles. Some people may prefer account management and tending existing relationships, whereas others might prefer hunting for new business, for instance. Once starting your career and beginning to learn more about the other roles available, you may develop skills further to take on new roles. A sales career is often an evolution.

## Eight Myths about Sales

We have talked throughout this chapter about the importance of the sales role and how it has transformed from essentially an order-taker role to that of a strategic partner. Still, many people continue to misperceive what it means to be in sales. Some of these erroneous notions are a result of the way salespeople are portrayed

**Table 1-3** A Sample of the Different Sales Roles in Organizations

Sales Role	Examples of Related Job Titles	Definition	Example Job Descriptions
<b>Account Manager</b>	Account Executive, Sales Executive & Account Manager, Renewal Sales Account Manager	Work with existing accounts to grow business and ensure customer satisfaction.	Responsible for connecting customers, sales, and all business units. Manage customer relationships to make certain that precise and well-timed program implementation occurs. Increase sales and retain current accounts. Accountable for customer management, growth, profitability, sales, and inventory control.
<b>New Business Development Representative</b>	Sales Development Representative, New Business Account Executive	Focus on identifying and pursuing new accounts.	Responsible for prospecting, qualifying, and closing new accounts. Source and develop new business opportunities. Successfully present and describe products and explain the value proposition to prospective customers. Develop a strong pipeline of prospective customers to achieve monthly sales goals.
<b>Strategic Account Manager</b>	Key Account Manager, Key Account Representative, National Account Manager	Selects, manages, and maintains relationships with the company's most important accounts.	Responsible for driving organization-wide sales programs into a defined territory while achieving goals and creating satisfied customers. Be the key contact for information gathering sessions with executives, developing strategic solutions, organizing the appropriate technical specialists and internal company resources, and ensuring successful implementation with our top customers.
<b>Missionary Salesperson</b>	Pharmaceutical Detailer, Sales Consultant	Educate customers about the product and encourage them to use the product.	Responsible for developing contacts with established and prospective clients within a geographical territory. Manage and grow territory, which includes identifying potential clients and coordinating client visits. Maintain detailed knowledge of each client and potential client, which includes competing products, company and market information, and key employees. Visit clients to promote and educate on products.
<b>Sales Engineer</b>	Technical Specialist, Technical Sales Engineer, Sales Specialist	Provide technical and scientific expertise to help create appropriate solutions for customers.	Responsible for technology sales & presales. Work with the sales team to identify and sell large opportunities. Use market and scientific knowledge in identifying opportunities across markets. Understand the key business challenges of senior executives and be capable of developing a proposed solution & strategy. Should be revenue-driven.
<b>Outside Sales Representative</b>	Outside Sales Account Manager, Field Sales Representative	Work with customers at the customer's place of business and manages a geographical territory. Can include account management or new business development roles, among others.	Work independently to sell products to customers in a geographically defined territory. Responsible for achieving sales goals using a consultative selling approach. Focus on relationship development with key organization contacts. Listen to customer needs and provide product solutions and customer service that results in customer satisfaction.
<b>Inside Sales Representative</b>	Inside Sales Account Manager, Senior Account Executive—Inside Sales	Work with customers via telephone or Webinar. Can include account management or new business development roles.	Book orders from assigned customers via telephone. Follow-up on order processing and respond to customer inquiries about deliveries. Inform customers of company promotions and upgrades, and sell related products, services, and supplies—coordinate sales activities with outside sales reps as necessary.



in movies and on television. In the following paragraphs, we debunk the eight great myths about sales to demonstrate the differences between those negative misconceived images and the reality of professional selling.

### **Only Salespeople Need to Understand How to Sell**

We hope it is obvious by now that this statement is a myth. As suggested by Daniel Pink,<sup>24</sup> we are all in a position to persuade and influence in our jobs, and as a consequence, we are all in sales. Entrepreneurs sell investors on their business ideas. CEOs sell board members and shareholders on company strategy. A salesperson sells the warehouse supervisor on the idea to ship his customer's products out first. An employee sells her boss on the idea that she needs a raise or promotion. Everyone benefits by understanding how to sell.

### **Only Extroverts Succeed in Sales**

Although commonly believed, this myth is not accurate. Extreme extroverts may struggle in sales if they don't take the time to ask good questions and listen. As Adam Grant has demonstrated, ambiverts—those who display tendencies of both introverts and extroverts—tend to be more successful in sales because they can listen well.<sup>25</sup> Introverts can also be successful, given their tendency to listen instead of talk. In reality, anyone possessing any personality type can be successful in selling as long as they can adapt their behavior, ask good questions, and listen.

### **Successful Salespeople Are Fast-Talking and Manipulative**

The opposite is true: salespeople who are fast-talking and manipulative are NOT successful in today's business environment. Successful salespeople engage in active listening and ask good questions to understand and solve the customer's problems. As the adage goes, you have two ears and one mouth for a reason; you should be listening twice as much as you talk.

### **Salespeople Are Unethical**

The myth about salespeople being unethical arises from our previous point, namely that sometimes salespeople are perceived as fast-talking and manipulative. Both assumptions are incorrect. Research has shown that when it comes to ethical behavior, salespeople are no different from other marketing professionals<sup>26</sup> and that salespeople are more likely to be satisfied with their jobs when their employers are deemed ethical.<sup>27</sup> Why, then, are salespeople seen as unethical by some people? Often, it is because they are in a position to persuade. The portrayal of salespeople in television and the movies also has an impact. Further, when unethical business practices occur that involve salespeople, others assume that the behavior is typical. Take, for example, the recent case of ethical misconduct involving approximately 5,000 Wells Fargo salespeople who were creating fraudulent accounts in customers' names as a way to address the pressure from Wells Fargo managers to meet sales goals.<sup>28</sup> To fight these misperceptions and impressions based on the misconduct of others, salespeople must behave ethically.

### **All Sales Jobs Are Alike**

As demonstrated in Table 1-3, sales roles vary widely. There is hunting new business, or focusing on long-term relationship development with existing accounts. There is working from an office using the phone, or traveling a defined territory. You might work with consumers, business customers, or strategic accounts. Sales

roles vary so widely that some companies give assessments to determine the best sales role for each individual. Within sales, a person can explore an assortment of job options to find the best particular one.

### **No Need for a College Degree to Go into Sales**

Although this statement may have been true in the 1950s and 1960s, it is no longer true today. Most sales roles DO require a college degree, largely because one needs to have the business acumen and knowledge to do the job well. In fact, in response to organizational demand for college-educated sales talent, more universities than ever are offering certificates, minors, and majors in sales. According to the *Sales Education Foundation* (<https://www.salesfoundation.org>), more than 100 universities with sales programs exist across the United States, Canada, and Europe. The *University Sales Center Alliance* (<https://www.universitysalescenteralliance.org>), a consortium of universities with sales programs dedicated to enhancing the quality of sales education, boasts over 52 members and continues to grow rapidly. As the sales role has become more strategic and professional, the need for a college degree has increased substantially.

### **Salespeople Don't Need to Understand Accounting and Finance**

As mentioned earlier, salespeople today are strategic business partners for their customers. The goal is to help customers be successful. As argued by author Bob Rickert, that means helping them—and the company—be profitable.<sup>29</sup> Understanding profitability means you need to understand accounting and finance, as well as the impact that purchasing the product will have on the customer's bottom line. The ability to quantify the value of your solution in terms of the profit impact will greatly increase the likelihood of winning a customer's business.

### **A Sales Career Lacks Security**

Job security is an important issue for many people, and some students worry that this security is lacking in a sales career. Fortunately, this concern is not realistic! Salespeople enjoy great job security, for several reasons. First, a salesperson who is bringing in revenues for the firm is extremely valuable to the company. Companies have a vested interest in retaining employees who add directly to the bottom line. Second, sales skills are highly transferable. Sales is a process, and someone who understands that process well can apply it to different products. Someone who has had success with one company and product is likely to experience similar success at other companies selling other products. Those skills will always be in demand by employers.

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## **Everyone Sells**

At the beginning of this chapter, we mentioned Daniel Pink's book *To Sell is Human*, which is based on the idea that everyone is involved in selling activities. If you are trying to convince your friends to go out to dinner, you are selling an idea. If you are on a job interview, you are trying to persuade the company that you are the right person for the job. If you are a company recruiter, you are trying to persuade qualified individuals to work at your firm. If you work for a non-profit, you are trying to convince donors that your non-profit is a good investment. Each of these activities is a sales activity, and they represent just a few of the sales activities someone might engage in on a daily basis. No matter what role you end up in for your career, you will engage in selling activities. Everyone benefits when they understand the selling process.

## Work Smart with CRM

A customer relationship management (CRM) system or platform enables a salesperson and their firm to track the entire sales process, including every interaction with prospects, potential buyers, and current customers. CRM enables the salesperson to see in one place the details of every interaction a buyer, prospect, buyer, or customer has had with them or their company, improving the ability to respond to their needs and improve the relationship.

In the office, on the way to a sales call, or while with a buyer, CRM provides access to all the relevant information necessary to earn the sale. CRM helps put buyers in the

center of everything, providing a 360-degree view of them, their organization, processes, needs, and history of interaction. CRM also improves sales performance by enabling salespeople to connect with buyers at exactly the right time with just the right message.

Although there are dozens of CRM options, including Oracle, Microsoft Dynamics, Zoho, and HubSpot, Salesforce is currently the dominant provider, with twice the market share as the next largest provider of a CRM system. At the end of most chapters in this text, we'll provide some insight to the ways CRM can be used to organize and accelerate the sales process.

Source: <https://www.gartner.com/en/newsroom/press-releases/2019-06-17-gartner-says-worldwide-customer-experience-and-relati>

## Chapter Summary

- Sales includes all the activities related to selling a product or service to a buyer.
- A firm cannot exist without sales. In fact, nothing happens in a business until a sale is made. That sale triggers all other business functions.
- The benefits of the sales role as a career include the opportunity to take advantage of the global sales talent shortage, to make a meaningful contribution quickly, to build a powerful network, to build a flexible career, to be in charge of your destiny, and to get the job or promotion you are pursuing.
- Entrepreneurs who understand how to sell are more effective at selling their business ideas and building successful organizations.
- The skills and traits required by successful salespeople include communication and active listening skills, negotiation skills, business acumen, other-focused, resilient, self-motivated, a dedication to lifelong learning, technology skills, time management skills, and integrity.
- Sales skills can be learned and improved with practice.
- Sales has transformed over the years, with the sales role moving from more of an order taker to a strategic consultant focused on helping customers achieve success.
- Sales roles vary widely and include account managers, new business development representatives, strategic account managers, missionary sellers, sales engineers, outside sales representatives, and inside sales representatives.
- Because many people misunderstand the sales role, there is a need to set people straight regarding the eight myths about sales. Everyone benefits from understanding how to sell. All personality types can be good at sales. Successful salespeople ask good questions, listen, and have high integrity. Sales jobs vary widely. Salespeople benefit from having a college degree, and it is often a requirement of the job. Salespeople do need a good understanding of accounting and finance. A sales career has good job security.
- No matter what role you end up in for your career, you will engage in selling activities. Everyone benefits when they understand the selling process.

## Key Terms

account manager (p. 13)	inside sales representative (p. 15)
active listening (p. 8)	missionary selling (p. 14)
business acumen (p. 8)	negotiation (p. 8)
cold-calling (p. 13)	new business development (p. 11)
Customer Relationship Management (CRM) (p. 10)	outside sales representative (p. 14)
farmers (p. 13)	prospecting (p. 11)
field sales (p. 14)	referrals (p. 6)
grit (p. 9)	sales engineers (p. 14)
hunters (p. 13)	strategic account management (p. 13)
	strategic account managers (p. 13)

## Application 1-1



Taylor Smallwood recently graduated from college with a degree in marketing. She had taken a sales class her senior year and found she liked learning more about customer problems and creating solutions that might add value. As she searched for job openings online, she began to gravitate toward sales roles. She was surprised by the wide variety of job titles listed. Which role would be best for her?

After hours of searching, Taylor settled on three that seemed most interesting. All three jobs were in Chicago, her top choice for relocating. All three were entry-level positions. She printed off the three postings to review them.

### Job 1:

In this job, the successful applicant would perform the administrative functions needed to ensure customer needs are being met; support the outside sales force by ensuring the delivery of timely price quotes and accurate order processing; and update customer contracts, coordinate warehouse deliveries, and answer phone calls from customers requesting sales information.

### Job 2:

Responsibilities for this job include conduct research and lead generation daily to identify and qualify potential customers; record all information on potential customers in the CRM system; participate in team planning sessions to make sure quality opportunities are identified; participate in industry events such as trade shows.

### Job 3:

The successful applicant will meet with existing customers, develop product knowledge, and deliver sales presentations. Emphasis is placed on creating a positive experience for customers to ensure customer satisfaction.

Taylor studied the job postings carefully, trying to figure out what she should do. Each job was slightly different. What would be the best job for her skill set? She decided to call her former sales professor to gather some information on these different types of sales roles.

1. What sales role is best reflected by Job 1?
2. What sales role is best reflected by Job 2?
3. What sales role is best reflected by Job 3?

## Application 1-2



Sales manager Robert Lindsey was meeting with Heather McDonald, head of Human Resources at Smith Pipe Fittings. Robert had a sales role he needed to fill, and Heather was helping him write the job description.

"How would you describe the role?" asked Heather. Robert replied, "I've always called them hunters, but the actual job title is Business Development Representative."

Heather jotted down the title and asked Robert to tell her the activities associated with the role. Robert outlined the job of the business development representative as follows:

- Proactively pursue sales leads via phone, email, social media, and on-site.
- Generate and qualify new business leads before passing on to the sales team.
- Meet with senior executives at prospective accounts to identify business needs.
- Coordinate activities with the sales team and schedule calls, webinars, and appointments with qualified leads for the team.
- Work with the sales team to develop appropriate strategies.

"Great!" said Heather. "Based on these job requirements, what traits or skills would you prefer in an applicant?" Robert thought for a second. As a business development representative, the successful applicant would face a lot of rejection. This person would need to understand business problems to identify needs. And, because the successful individual would be coordinating with a team, there would be a need to utilize technology effectively and organize activities with multiple other people. "Good question, Heather," Robert replied. "Can we brainstorm a list of traits and skills?" Robert and Heather thought for a minute and then started jotting down traits for the job advertisement.

1. Robert indicated that the business development salesperson would face a lot of rejection when trying to identify potential customers. What trait of successful salespeople would be important for someone experiencing rejection?
2. The applicant who accepts the business development role will need to understand and address business situations quickly and effectively. What sales skill does this definition describe?
3. The business development representative will need to coordinate activities with the sales team. What skills will be most useful for this task?

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