Sales Management: Part II

HW 2

Chapters 3 and 4

Following are 20 questions: 12 multiple choice worth 5 points each and 5 open questions worth eight points each.

Multiple Choice Questions:

1. B2B Customer profiles need to be tied to:   
   a.) outside data bases provided by other sources  
   b.) industry categories   
   c.) size of the company  
   d.) geographic data bases
2. The two main categories for profiling customers is:  
   a.) product market and market size (revenues)  
   b.) industry type and company size  
   c.) industry type and market size (revenues)  
   d.) product type and geography (location)
3. A substitute variable for determining company size (as opposed to company revenues) is:  
   a.) number of retail outlets they have  
   b.) number of ads they run annually  
   c.) number of employees  
   d.) none of the above, only revenue should be counted.
4. Penetration analysis refers to:  
   a.) what percent of the customer’s budget is spent with your firm  
   b.) what percent of the market are your customers  
   c.) how many of your competitors customers now buy from you  
   d.) what percent of your sales are domestic vs. export
5. Having identified the industry that is your market, you then need to target markets that:  
   a.) have bought from you in the past  
   b.) have never bought from you in the past  
   c. ) are large enough to support a sales effort  
   d.) are large enough to support a sales effort and have several sub-segments
6. Micro-segmentation has the advantage that it:  
   a.) reduces the size of the target market  
   b.) allows inquiries to be screened to confirm they fit the criteria of best segments  
   c.) allows sales people to more easily divide calls to be made among themselves  
   d.) a and b
7. Potential problems with micro-segmentation are:  
   a.) reducing markets into markets that are too small, generating too many micro segments to manage  
   b.) too many micro segments, wrong criteria, an inability to acquire the information needed to support the segmentation  
   c.) too many micro segments and too many categories and criteria to be manageable  
   d.) none of the above: micro-segmentation doesn’t have a specific drawbacks
8. Suspects are:  
   a.) competing salespeople that have lured away your customers  
   b.) employees suspected of providing information on your company to a competitor  
   c.) companies that you (the sales person) think might need your product or service  
   d.) are leads for the company’s salespeople to follow up on  
   answer: c
9. The difference between a lead and an inquiry is:  
   a.) an inquiry is a lead that has been qualified and shows promise of a purchase  
   b.) a lead is an individual in a company that can buy your product or service but has not yet indicated interest  
   c.) a lead is an individual in a company that can buy your product or service and is interested in doing so  
   d.) a lead is someone that has responded to a marketing campaign
10. A first time purchase by a potential customer  
    a.) is a strong sign of long-term commitment by the customer  
    b.) is too early a sign to assume the customer can be considered committed  
    c.) may be a test drive of your product by the customer  
    d.) b and c
11. Per Behavioural Segmentation, the following behaviours are listed in order of strength from the point of view of the selling company:  
    a.) General inquiry, seminar attendees and trade show attendees  
    b.) General inquiry, trade show attendees and seminar attendees’  
    c.) General inquiry, seminar attendees, and responses to specific offers  
    d.) General inquiry, multiple responders, and seminar attendees
12. RFM analytics stands for:  
    a.) Requirements For Materials  
    b.) Requests From Management  
    c.) Recency, Frequency, Monetary  
    d.) Recency, Frequency, Multiples

Open Questions:

1. What are the functions of the following (explain in more than just four or five words):  
   a.) profiling  
     
   b.) targeting  
     
   c.) segmentation
2. What is the difference between the Standard Industry Classification (SIC) and North American Industrial Classification System (NAICS)?
3. List and describe the three categories of segmentation as discussed in the text:  
   a.)  
     
     
   b.)  
     
     
   c.)
4. a.) List the 6 demographic segmentation categories of micro-segmentation approach  
     
     
     
     
     
   b.) explain in brief two of the approaches:
5. What is the difference between direct and indirect competition? Site two examples.