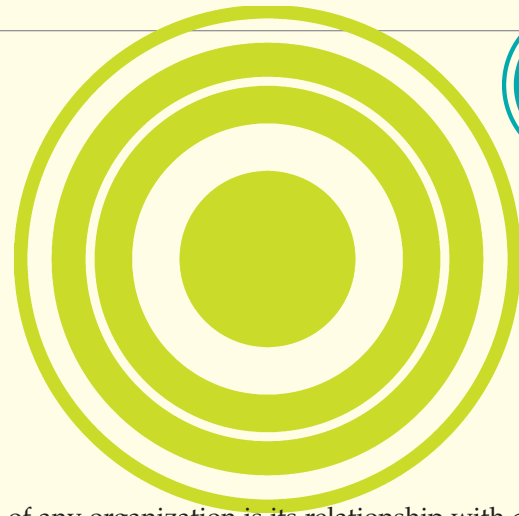


Preface



Fundamental to the success of any organization is its relationship with customers. Today, the relationship between companies and their customers is in a period of profound change. Technology, globalization, ethical concerns, corporate strategic decisions, and a host of other issues have created a revolution in the selling process. Customers are no longer interested in working with companies that cannot add substantial value to their business. They seek better, more strategic *Relationships* with their suppliers. Changes in the buyer–seller relationship have also led to dramatic changes in the management of salespeople. “Home” and “virtual” offices, communication technology, and demographic changes in the sales force (to name just a few) have created significant challenges for salespeople and their managers. Today’s selling model is a very different process than it was even 10 years ago. As a result, any book about selling should fully reflect this new business reality.

This third edition of *Relationship Selling* continues to present a clear and concise portrayal of selling in the contemporary business environment—namely, *relationship* selling with a strong focus on creating and communicating value for customers and on managing the buyer–seller relationship process. It remains the only book to integrate the critical tools of the relationship-selling process with the unique challenges managers face working with salespeople in a highly dynamic competitive environment. Mark Johnston and Greg Marshall, your authors, combine backgrounds in selling and sales management with long established research records and consulting experience in the field.



Why Did We Write This Book?

The idea for writing this book evolved over several years and many conversations with colleagues and sales professionals. There was no single moment of creation, rather a series of conversations that ended with “Gee, I wish there was a book that presents a relevant and current approach to relationship selling, with a value focus, and an integration of managerial issues in buyer–seller relationships.”

Our own review of the books in the Personal Selling area revealed no single source for a complete, holistic approach to selling that incorporates not only state-of-the-art sales methodology but also the knowledge base and skill sets necessary to manage such a critical area in the organization. Our colleagues presented us with an exciting challenge: Was it possible to create a book that reflects contemporary relationship selling in a way that maximizes the course’s success for both instructors and students? To answer the challenge, our primary goal in writing

Relationship Selling, Third Edition, as in previous editions, was to create a single, comprehensive, and holistic source of information about the selling function in modern organizations, focused on the process of securing, developing, and maintaining long-term relationships with profitable customers—the essence of *relationship selling*. As you read the book, note that our approach links the process of selling (what salespeople do) with the process of managing salespeople (what sales managers do). In order to provide a pictorial representation of this linkage and to create an easily referenced thematic thread, we have developed a Relationship Selling and Sales Management Model that serves as a road map all the way through the book. The model is introduced in Chapter One, and we return to it at the beginning of each subsequent chapter to highlight where that chapter’s content fits into the overall model.

In summary, building strong, sustainable customer relationships is no longer optional—it is *required* for long-term business success. As the importance of relationships has grown, the selling function has become assimilated into the rest of the organization. Selling now is truly a “boardroom topic” as companies realize that effective management of the relationship-selling process is a key to gaining overall competitive advantage. Thus, this book incorporates state-of-the-art sales practices and research to develop a comprehensive portrayal of relationship selling today.



Who Is the Audience for the Book?

The overarching theme of this book is securing, developing, and maintaining long-term relationships with profitable customers. As such, the book offers broad appeal and high value added in any Personal Selling course, allowing the instructor to portray a modern, integrative approach to selling in a style that today’s students will easily connect with and truly enjoy. In our discussions with colleagues at many colleges and universities we consistently heard a call for a book that offers a fresh, value-driven, integrative approach to relationship selling and also provides important insights into managerial aspects of the buyer–seller relationship. This book addresses those needs.

You may have noticed (as we have) a growing trend in sales-related courses. More and more students who are not majors in marketing (or even in business) are taking courses in Personal Selling. This trend recognizes the inherent value of such courses to the personal growth and success of any student. As such, we believe *Relationship Selling*, Third Edition, serves this emerging market very well by enabling “nonsales majors” wanting a single sales-related course to understand the overall sales field from a modern, application-oriented perspective.

In addition, the book is written to complement and enhance a variety of teaching approaches. Most importantly, this third edition of *Relationship Selling* incorporates a comprehensive role-play model that integrates role-play exercises focused on important relationship selling issues. Role playing is one of the most used training tools by top sales organizations. Our end-of-chapter Role Plays are tied together throughout the book within a common scenario that students will readily and enthusiastically identify with as they progress through the course. Beyond the role plays, a variety of other teaching enhancements are provided within the book. For those interested in a lecture/discussion format an abundance of material is presented in the chapters and reinforced in discussion questions at the end of each chapter. Learning objectives and key terms help focus students on the most important material. Mini Cases and Ethical Dilemmas are also included at



Structure of the Book

the end of each chapter for instructors taking a more case-oriented approach. A variety of other features imbedded within each chapter add value to the students' experience in the course, including boxed features on Leadership, Innovation, and Global Perspective. This third edition updates our popular Expert Advice feature so that each chapter begins with a sales expert giving firsthand advice on some of the key topics in that chapter.

As mentioned, the model for relationship selling used by firms today defines the connection between companies and their customers in a new way. We have developed a framework that breaks down the relationship-selling process into three distinct yet interrelated components, reflected by the three parts within the book.

1. What Is Relationship Selling? (Chapters 1–4) The book begins with an introduction to relationship selling and the environment in which this process takes place. The opening chapter introduces the model for Relationship Selling and Sales Management and shows how it serves as a road map for the entire book. Next is a comprehensive discussion of two critical precursors to the relationship-selling process—using information to understand sellers and buyers and the concept of value creation and communication, both of which are central to the buyer–seller relationship. Finally the important area of ethical and legal issues within the relationship-selling framework is discussed.

2. Elements of Relationship Selling (Chapters 5–9). Each of the elements in the relationship-selling process is identified and examined in detail. These include prospecting and sales call planning, communicating the sales message, negotiating win–win solutions, closing the sale and follow-up, and self-management: time and territory. At the end of each chapter on the relationship-selling process, we conclude with a brief section that links the role of salesperson to the role of his or her manager in a way that is relevant to that chapter's topical focus. As such, students come away with an integrative perspective on how salespeople and their managers relate in order to get the job done.

3. Managing the Relationship Selling Process (Chapters 10–14). Key to effectively implementing successful buyer–seller relationships is an understanding of the many managerial issues involved in the relationship-selling process. Fundamental sales management concepts are examined from within the relationship-selling model. The topics addressed include salesperson performance: behavior, role perceptions, and satisfaction; recruiting and selecting salespeople in relationship selling; training salespeople for sales success; salesperson compensation and incentives; and finally, evaluation and rewarding salesperson performance.

Features of the Text

A. Expert Advice—UPDATED Expert Advice is a dialogue with a working professional who has found success in relationship selling by applying aspects of the principles and concepts discussed in the chapter. Designed to be a great chapter kickoff providing a real world perspective, our experts satisfy the desire by both students and instructors to see how people actually use chapter concepts to be successful in business practice.

B. Learning Objectives—Each chapter begins with a set of learning objectives for the students. The objectives guide students as they read and seek to identify the key takeaways from the chapter.

C. Boxed Features—Leadership, Innovation, Global Perspective—NEW AND UPDATED These three boxes are key drivers of relationship selling today—leadership, innovation, and global perspective. Each chapter contains featured boxes that focus on at least one of these concepts. The boxes underscore and provide real world examples related to the material in the chapter. Instructors will benefit from these boxes because they provide excellent discussion starters in class.

D. Key Terms—UPDATED At the end of each chapter key terms are summarized for the students. These terms are also boldfaced the first time they appear in the body of each chapter. As a result, students can use these terms to take a quick check on their level of understanding of the material. They will also find these terms defined in the glossary at the end of the book.

E. Role Play—It is accepted both in field sales training and in the college classroom that role playing is a valuable tool for helping salespeople and students internalize and apply what they are learning. A comprehensive role-play scenario has been developed for *Relationship Selling*, Third Edition, that flows through the various chapters for continuity of learning. It involves a sales district of the “Upland Company,” and includes a cast of characters students come to know and empathize with as they move through each chapter’s role play. Each part of the role play will enable students to employ aspects of relationship selling they have learned within a particular chapter. In the sales management chapters later in the book the role plays give students maximum opportunity to connect the managerial issues with the relationship-selling topics covered in earlier chapters.

F. Discussion Questions—UPDATED Each chapter contains a set of questions designed to generate classroom discussion of key concepts and ideas from the chapter material, opening vignettes, and boxed features. These questions can also be used by students to enhance their own understanding or by instructors as review questions.

G. Ethical Dilemma—UPDATED Ethical behavior in buyer–seller relationships has never been more important than it is today. Each chapter contains an ethical dilemma designed to place students in realistic scenarios that require one or more decisions. These scenarios can be used as discussion starters in class or assigned to students for reflection and reporting back individually or in groups.

H. Mini Case—Cases have consistently been shown to be an effective tool for students in learning and applying material. Each chapter incorporates a mini case that supports chapter subject matter. All the cases are original—written especially for the book and incorporating the latest in relationship-selling issues.

I. Relationship-Selling Math Appendix—NEW AND UPDATED The value proposition provides the basis for the customer’s perception of any salesperson’s product or service. As part of the value proposition a good salesperson will develop a quantitative analysis to provide concrete evidence of the product’s value to a buyer. This appendix to Chapter 3 and the accompanying spreadsheet on the book’s Web site (www.mhhe.com/johnston3e) lead students through interactive exercises detailing the process of putting together a financial analysis for a sales proposal and buyer presentation. Many instructors mention the need for better

quantitative skills among their students—this feature, updated in the third edition, allows for a class assignment on quantifying the value proposition.

J. Sales Proposal Appendix—NEW AND UPDATED Creating an effective sales proposal is an essential element of a successful sales presentation. The new appendix to Chapter 5 provides a complete template for developing a sales proposal. Along with the Sales Proposal Handbook posted in PowerPoint on the book's Web site (www.mhhe.com/johnston3e), the appendix guides students through the process of professional sales proposal development, linking the required content back to specific chapters and other source material. Instructors who want to assign a sales proposal development project in class will find this new tool exceptionally useful.

K. Videos—A complete set of video material has been included online to support and extend the material in the book. In addition, unique to this book are video segments designed to enhance the role-play exercises.

L. PowerPoint Slides—UPDATED A complete set of PowerPoint slides has been developed to enhance the in-class experience of both instructors and students. The package of slides is flexible enough for instructors to include their own material yet comprehensive enough to stand alone. Links to sales-related sites are imbedded in the PowerPoint presentation to enable the instructor to go directly to relevant Web sites if they are online.

M. Instructor Manual—UPDATED An updated instructor's manual for *Relationship Selling*, Third Edition, provides an overview of each chapter, answers to discussion questions, and a discussion guide to role plays, ethical dilemmas, and mini cases. A comprehensive test bank is included.

N. Ancillary Web Site Materials—UPDATED Instructors and students benefit from a variety of extra materials on the book's Web site. The Web site also contains important additional resources related to the Relationship Selling Math and Sales Proposal appendices.

Acknowledgments

Writing a book is never the result of the authors alone. Many people contribute in a variety of ways to the process. We would like to begin by thanking the many colleagues and sales professionals who inspired us to take on the exciting challenge of creating a text that reflects relationship selling the way it's practiced in contemporary firms. Over many conversations we developed the ideas and concepts you will find in the book. More specifically, we offer a special thank-you to the reviewers who provided valuable insights and guidance through the writing process. They are:

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