

Glossary

action plan | A specific method of approach for each customer.

advantage | The performance characteristic of a product that describes how it will help the buyer.

agenda approach | Sales approach in which you open your sales call by giving the customer an overview of your call agenda.

alternative-choice close | Gives the prospect a choice between two options rather than a choice between buying and not buying.

approach | The first few minutes of a sales call, during which the salesperson explains her purpose for coming and establishes a rapport.

assumptive close | Includes a question that when the prospect replies, he is committing to the sale.

benefit | The result a buyer will realize because of the product advantage.

benefit summary close | Summarizes the benefits of the product or service as you have discussed them throughout the process.

Body language | Nonverbal communication using body elements such as gestures, facial expressions, eye contact, and proximity.

bonus | An incentive paid to sell a particular product or service or to reach a specific sales goal.

bribe | Money or favor given or promised in order to influence the judgment or conduct of a person in a position of trust; something that serves to induce or influence.

business journals | A publication offering business news and industry information that is usually specific to a certain region.

business plan | A document that details everything about the business from the product position in the marketplace to the financial information for the next three years.

buying center | Cross-functional team of people who make buying decisions on behalf of the company or organization.

buzz words | Words, phrases, or acronyms that are used only in a company.

call cycle | The frequency at which you call on each of your customers (e.g., once every twenty days).

Call-to-sale ratio | Percentage of calls that result in a sale.

canned presentation | A selling presentation that is exactly the same for every customer.

channel | The method by which a message is communicated.

character | Features and beliefs that define a person.

Closed-ended questions | Questions that demand a yes or no response.

Closing | Bringing the sale to fruition or getting the sale.

Cold calling | Making an unsolicited phone call or visit to a sales lead.

cold-contact | Employment prospecting in which the applicant submits a cover letter and résumé even though a position has not been advertised.

combination of closes | Using more than one of the closing approaches together to gain agreement on the sale.

compensation | Money and benefits received in exchange for providing services to a company including elements such as salary, commission, bonus, benefits, and any other elements in payment for providing services.

complex sale | Sale of a high-value product or service (usually over \$100,000) that may take years to close.

compliment | Relates the purchase to the person and appeal to his or her sense of identity by paying a compliment.

concessions | A point on which you are willing to compromise.

conflict of interest | A situation in which a person in a position of power may benefit personally from his actions or influence.

consumer | The end user of a product or service.

contact management system | A system for tracking and organizing customer and prospect information that is less complex than CRM and doesn't necessarily keep a record of every customer contact.

Conversion KPIs | Measure of a salesperson's productivity or efficiency that do not have outcomes, such as sales per customer or closing ratio.

cost-benefit analysis | Quantifies the costs of a purchase in relationship to the benefits it provides.

counteroffer | A candidate's response to a job offer.

Crowdsourcing | Situation in which a company takes a job that is normally performed by an employee and puts out an "open call," usually on the Internet, for people all over the world to work on it.

customer benefit approach | Opening the sales call by directing your prospect's attention to a specific benefit of your product or service.

customer relationship management | The process a company uses to organize and track their current and potential customer information.

deadlock | A point in the negotiation at which discussions stop due to disagreement on an issue.

decision maker | The person or people who are responsible for making the final purchasing decision at a company.

demonstrate capability | In SPIN selling this is the step of the sales call in which you show your prospect that your solution can solve her problems.

Detractors | Unhappy customers that are likely to share their bad experiences via word of mouth or social networking; those who respond to the NPS question with a score of 0 to 6.

digital immigrants | People who did not grow up with interactive technology but have adopted it.

direct marketing | Communication in the form of mail or e-mail that is sent directly to a lead.

Direct request close | Asks the prospect for the order.

elevator pitch | A concise description of a product, service, person, or project that should take no longer than an average elevator ride and is designed to get conversation started.

employee handbook | Written policies of a company as they relate to the ethical actions of its employees.

Entrepreneurs | A person who has an idea and takes on the risk of bringing the concept to market.

Entrepreneurship | Starting a new concept as a result of an idea that fills a need and taking the risk to bring the idea to market.

esteem needs | Feelings of being respected and appreciated by one's peers.

esteem needs | Feelings of being respected and appreciated by one's peers.

ethical dilemma | A situation in which options are presented which may be right or wrong.

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Ethics | Moral principles that define what is right and wrong.

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Etiquette | Manners, customs, and protocols that are the norm in specific situation.

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exploratory questions | Open-ended, nonthreatening questions that encourage your prospect to discuss their business needs.

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expressive | A social style that describes people who rely on their feelings to make decisions.

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FAB | Selling technique that focuses on **Features, Advantages, and Benefits**.

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Family interests | A situation in which a relative has influence over the hiring of a family member.

Family interests | A situation in which a relative has influence over the hiring of a family member.

feature | A physical characteristic of a product.

feature | A physical characteristic of a product.

follow-up | The final step of the process in which the salesperson assures customer satisfaction and maintains customer relationships.

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franchisee | A person or organization that pays to use a company's name and market its products.

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free market system | An economy in which an individual's success is dictated by demand on the part of the consumer, not by the government.

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front-line employees | Employees who interact with customers on a day-to-day basis, such as salespeople.

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gatekeeper | The secretary or assistant whose job it is to screen calls or “guard” the entrance to an executive’s office. In B2B sales this is someone you often have to go through first before seeing your prospect.

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general benefit statement | An opening statement for a sales call that gives the big picture of how your solution meets your prospect’s need.

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Gifts | Something received without compensation or exchange.

Gifts | Something received without compensation or exchange.

gross profit | The difference between sales generated and the cost of the product or service.

gross profit | The difference between sales generated and the cost of the product or service.

hard skills | Technical knowledge required to perform a specific job.

hard skills | Technical knowledge required to perform a specific job.

hedonic needs | Emotional needs that are served by products or services that bring pleasure.

hedonic needs | Emotional needs that are served by products or services that bring pleasure.

heroic recovery | Response to a service failure that delights the customer.

heroic recovery | Response to a service failure that delights the customer.

hidden objection | An objection that is not openly stated by the prospect but is an obstacle in the way of making the sale.

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implication questions | Questions that help uncover the consequences or effects of a prospect’s recognized problems.

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influencer | A person who has a role and perhaps some authority in the purchasing decision at a company but is not the sole decision maker.

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informational interview | A meeting with a professional to learn more about pursuing a career in a specific industry, profession, or job.

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initial public offering (IPO) | When a company issues common stock for the first time.

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internships | An educational arrangement that provides experience in a work situation.

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Investigation | The second and most critical step of SPIN selling that involves asking questions to uncover your buyer’s needs.

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investors | People or firms who are willing to invest financial support based on the potential for the success of the business.

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key accounts | An existing customer that is (or has the potential to be) a significant source of sales for your company.

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key performance indicators (KPIs) | Measures of productivity that relate to achieving goals.

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letters of recommendation | Letter written by a professional (supervisor, manager, professor, or other professional) to testify to the skills and characteristics of a job candidate.

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lifetime value | The worth of the transactions that are done with a customer over the life of a relationship with a company.

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Listening 2.0 | Taking the time to “listen” to the online conversation before you begin broadcasting your message.

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Mehrabian formula | Formula used to explain situations in which verbal communication and nonverbal communication do not match; in other words, when facial expressions contradict words, people tend to believe the facial expressions.

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mental rehearsal | Running through a scenario (like your sales presentation) step-by-step in your mind before you go into the situation.

mental rehearsal | Running through a scenario (like your sales presentation) step-by-step in your mind before you go into the situation.

modified rebuy | A product or service that is already being purchased, but the specifications are changed.

modified rebuy | A product or service that is already being purchased, but the specifications are changed.

moment of truth | Any time the customer comes in contact with a brand.

moment of truth | Any time the customer comes in contact with a brand.

money objection | A concern voiced by the prospect that relates to the budget or financial ability to make the purchase.

money objection | A concern voiced by the prospect that relates to the budget or financial ability to make the purchase.

Moonlighting | Holding a second job.

Moonlighting | Holding a second job.

need-payoff questions | In the SPIN model these questions ask the prospect how your solution could be important or useful to his problem.

need-payoff questions | In the SPIN model these questions ask the prospect how your solution could be important or useful to his problem.

negotiating | The act of discussing an issue between two or more parties with competing interests with the aim of coming to an agreement.

negotiating | The act of discussing an issue between two or more parties with competing interests with the aim of coming to an agreement.

Net Promoter Score (NPS) | Compiled results of customer responses to the question, “How likely are you to recommend this product or company to a colleague or friend?”

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Networking | The art of building mutually beneficial relationships.

Networking | The art of building mutually beneficial relationships.

new-task buy | A purchase made by a company for the first time.

new-task buy | A purchase made by a company for the first time.

noise | Anything that can interfere with the communication of a message between sender and receiver.

noise | Anything that can interfere with the communication of a message between sender and receiver.

nondisclosure agreement (or confidentiality agreement) | A contract that protects the secrecy of information that is exchanged.

nondisclosure agreement (or confidentiality agreement) | A contract that protects the secrecy of information that is exchanged.

objections | Hesitations or concerns a prospect might have about the product or purchasing process.

objections | Hesitations or concerns a prospect might have about the product or purchasing process.

Objections | Prospect questions or hesitations about a product or company.

Objections | Prospect questions or hesitations about a product or company.

obtaining commitment | The stage of the sales call in which you get an agreement to move to the next stage of the sale.

obtaining commitment | The stage of the sales call in which you get an agreement to move to the next stage of the sale.

offer letter | A formal letter from the company (on company letterhead) that outlines the terms of the offer for employment.

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onboarding | Employee orientation process or method for a new employee to learn about company practices, policies, and procedures.

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Online professional social networking | Online communities that focus on business members and provide a platform for members to communicate and share with each other.

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open-ended questions | Questions that will help you probe further into the problem your product can solve.

open-ended questions | Questions that will help you probe further into the problem your product can solve.

opening | The first step in SPIN selling that paves the way for the rest of the sales call.

opening | The first step in SPIN selling that paves the way for the rest of the sales call.

organizational (or institutional) markets | Another term for B2B buying or selling, which means selling products or services to another company rather than selling directly to the ultimate consumer.

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organizations | Federal, local, and municipal government bodies and nonprofit groups such as churches, schools, American Red Cross, Salvation Army, and others that purchase products or services to serve or sell to constituents.

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patents | The right of exclusivity to make and market a specific product or service granted by the United States government.

patents | The right of exclusivity to make and market a specific product or service granted by the United States government.

pay period | The interval of time for which an employee is paid.

pay period | The interval of time for which an employee is paid.

personal responsibility | Acknowledging and accepting that you are accountable for your choices.

personal responsibility | Acknowledging and accepting that you are accountable for your choices.

personal risk | Potential exposure, hazard, or danger for a person, especially the potential of losing his job.

personal risk | Potential exposure, hazard, or danger for a person, especially the potential of losing his job.

physiological needs | The most basic elements required to survive such as food, shelter, and clothing.

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portfolio | A collection of work samples from class projects, internship, volunteer projects, and any other work that demonstrates your skills.

portfolio | A collection of work samples from class projects, internship, volunteer projects, and any other work that demonstrates your skills.

power level | The level in a company or organization at which the buying decision is made.

power level | The level in a company or organization at which the buying decision is made.

preapproach | The preparation and research a salesperson does before making the sales call.

preapproach | The preparation and research a salesperson does before making the sales call.

precall objectives | Goals that are determined for the sales call before the call is made.

precall objectives | Goals that are determined for the sales call before the call is made.

precall planning worksheet | A document that details the goals you hope to achieve during a particular sales call.

precall planning worksheet | A document that details the goals you hope to achieve during a particular sales call.

premium approach | Offering free products or samples to attract a customer and build goodwill at the opening of a sales call.

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prenegotiation goal | Objectives that are identified before a negotiation begins and which identify the minimum you are willing to accept to make the deal happen.

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presentation | The part of the sales call when the salesperson offers her solution for the prospect.

presentation | The part of the sales call when the salesperson offers her solution for the prospect.

private use of employer property | Using an employer's property—cars, software, staplers, and so on—for nonbusiness purposes.

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problem questions | In SPIN selling, problem questions help uncover your prospect's need.

problem questions | In SPIN selling, problem questions help uncover your prospect's need.

producers | A B2B company that purchases parts, products, or ingredients for the production of other goods or services to sell at a profit.

producers | A B2B company that purchases parts, products, or ingredients for the production of other goods or services to sell at a profit.

product approach | Opening a sales presentation with a product demonstration.

product approach | Opening a sales presentation with a product demonstration.

product objection | A concern voiced by the prospect relating directly to the product.

product objection | A concern voiced by the prospect relating directly to the product.

professional organization | A nonprofit business group that is dedicated to supporting and improving the industry.

professional organization | A nonprofit business group that is dedicated to supporting and improving the industry.

professional references | Managers, supervisors, professors, mentors, and other professionals who can speak on your behalf about your character, experience, skills, quality of your work, and work ethic.

professional references | Managers, supervisors, professors, mentors, and other professionals who can speak on your behalf about your character, experience, skills, quality of your work, and work ethic.

proposal | A written document that outlines a company's capabilities, delivery, and pricing in relation to a specific product or service.

proposal | A written document that outlines a company's capabilities, delivery, and pricing in relation to a specific product or service.

proposal | Document that proposes the specific terms of the sale, including pricing, delivery time frame, and the scope of the products or services you are offering.

proposal | Document that proposes the specific terms of the sale, including pricing, delivery time frame, and the scope of the products or services you are offering.

prospect | A potential buyer for a product or service; also referred to as a qualified lead.

prospect | A potential buyer for a product or service; also referred to as a qualified lead.

public companies | A company that sells stocks and bonds to the general public.

public companies | A company that sells stocks and bonds to the general public.

qualified prospect | A prospect a salesperson has determined has the desire and ability to buy the product or service.

qualified prospect | A prospect a salesperson has determined has the desire and ability to buy the product or service.

question approach | Opening a sales call with questions that will engage your prospect in a dialogue.

question approach | Opening a sales call with questions that will engage your prospect in a dialogue.

r-commerce | The act of establishing and building relationships with customers.

r-commerce | The act of establishing and building relationships with customers.

referral approach | Mentioning an existing customer relationship to build credibility and trust at the beginning of your sales call.

referral approach | Mentioning an existing customer relationship to build credibility and trust at the beginning of your sales call.

reputation | Overall character as judged by other people.

reputation | Overall character as judged by other people.

request for proposal (RFP) | A formal request from possible suppliers to provide or create a specific product or service.

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Resellers | A company that buys finished goods, to sell, lease, or rent to other companies or consumers.

Resellers | A company that buys finished goods, to sell, lease, or rent to other companies or consumers.

retainer fee | Fixed fee that a customer will pay in advance to secure your services.

retainer fee | Fixed fee that a customer will pay in advance to secure your services.

return on investment (ROI) analysis | Shows the return (profit or cost savings) as a percentage of the initial investment.

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safety needs | Concerns for personal security and well-being.

safety needs | Concerns for personal security and well-being.

Salary | A regular payment from an employer in exchange for services.

Salary | A regular payment from an employer in exchange for services.

sales approach | The third step in the selling process; the point at which you make contact with the customer.

sales approach | The third step in the selling process; the point at which you make contact with the customer.

sales cycle | The length of time it takes to go from the first contact with the customer to closing the sale.

sales cycle | The length of time it takes to go from the first contact with the customer to closing the sale.

sales funnel | An illustration of the way the sales process begins with a large pool of prospects and ends with a more focused number of buyers.

sales funnel | An illustration of the way the sales process begins with a large pool of prospects and ends with a more focused number of buyers.

sales manager | Person to whom a salesperson reports and who is accountable for delivering on sales goals.

sales manager | Person to whom a salesperson reports and who is accountable for delivering on sales goals.

Sarbanes-Oxley Act | Regulation of corporate financial practices and protection for people who report violations.

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self-actualization | Focus on learning new skills, taking on new challenges, and “being all you can be.”

self-actualization | Focus on learning new skills, taking on new challenges, and “being all you can be.”

selling process | A sequence of steps that builds a framework for selling.

selling process | A sequence of steps that builds a framework for selling.

service-level agreement (SLA) | A contract between a customer and a service provider that sets out the frequency, length of time, and expectations for providing the service.

service-level agreement (SLA) | A contract between a customer and a service provider that sets out the frequency, length of time, and expectations for providing the service.

Situation questions | In SPIN selling, situation questions deal with facts about the buyer’s existing situation.

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SMART | An acronym to identify the elements of a successful sales goal: **Specific, Measurable, Actionable, Realistic, and Time-bound.**

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Social entrepreneurialism | Using the concepts of entrepreneurialism to bring about social change.

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social needs | Bonds or attachments to other people and feelings of love and belonging.

social needs | Bonds or attachments to other people and feelings of love and belonging.

source objection | A barrier presented by the prospect relating to your company or to you.

source objection | A barrier presented by the prospect relating to your company or to you.

specific benefit statement | Identifies the way a solution addresses a prospect’s particular situation and needs.

specific benefit statement | Identifies the way a solution addresses a prospect’s particular situation and needs.

SPIN | A customer centered sales model. SPIN stands for the four kinds of questions successful salespeople ask their customers: **Situation, Problem, Implication, and Need-payoff.**

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stakeholders | All parties that have a stake in an organization including employees, customers, investors, the community, and others.

stakeholders | All parties that have a stake in an organization including employees, customers, investors, the community, and others.

straight rebuy | A routine repurchase of a product or service.

straight rebuy | A routine repurchase of a product or service.

strategic alliance | A business partnership in which all parties have something at risk and have something to gain.

strategic alliance | A business partnership in which all parties have something at risk and have something to gain.

student membership | Reduced fees offered to students as an incentive to join the professional organization.

subject matter expert | Being an authority in a specific industry or topic.

survey approach | Opening a sales call with a survey or questionnaire to better determine customer needs and preferences.

synergy | The working together of two or more things (companies, services, technology, ideas) that produces a greater effect than any one of those things could produce alone.

territory managers | Salesperson that is responsible for the customers in a designated geographic area.

time management | The practice of organizing and prioritizing your activities to ensure that you can achieve your goals.

trade associations | An organization whose members are individuals or businesses that operate in a specific industry.

trade show | A gathering of resources for people in a particular industry or those who have a common interest in a topic.

trade Web sites | Web sites with content that is focused on a specific industry.

trial closes | An attempt to close the sale.

trial closing | Technique to test a prospect’s buying readiness.

triple bottom line | Measurement of company performance along three dimensions—social, economic, and environmental.

Unethical behavior | Acting in a way that is not responsible or deemed to be the standard of what is right, good, and fair.

Users | People in a company who use the product or service but may not be the decision maker in the buying process.

value | The worth that a product or service provides to a customer.

value proposition | The benefits of the product or service that a customer is willing to pay for.

Values | Guiding principles and beliefs that are important to you and define how you live your life.

Voice inflection | Verbal emphasis on certain words.

Wants | Products, services, or activities that enhance the quality of life, but which are not essential for survival.

Webinars | A meeting that takes place on the Internet that allows participants in remote locations to view what is on the screen and hear the speaker and ask questions.

whistle-blowers | One who publicly exposes the misconduct of a company or organization.

white papers | An informative report that offers practical solutions to a specific problem.

wiki | A collaborative Web site that allows multiple people to share information, documents, videos, and pictures.

win-win-win | All parties in a relationship win—your customer, you, and your company or organization.

written | Communication that is done by way of printed words on paper or a screen.

“I have to think about it” objection | An objection that is actually a stall.