Chapter 15 covers the last three stages of the sales process: closing the sale, suggestion selling, and relationship marketing. These steps should come naturally if the salesperson has determined the customer’s needs and communicated the product’s features.

**Chapter Objectives**

After reading this chapter, you should be able to:

- Identify customer buying signals
- List a few rules for closing a sale
- Select appropriate specialized methods for closing a sale
- Explain the importance of suggestion selling
- List the rules for effective suggestion selling
- Demonstrate appropriate specialized suggestion selling methods
- Discuss strategies for maintaining and building a clientele
- Explain the importance of customer service and follow-up
- Explain the concept of customer relationship management

**Market Talk** Lead a discussion about closing the sale. Talk with students about the difficulty of identifying when a customer is ready to make a purchase. Can they think of clues that a salesperson can look for? Answers may include the customer ceasing to ask questions or saying, “I’ll take it.”

**Quick Think** Closing the sale is how a business generates revenue. It is ideally the beginning of a lasting relationship.

**Follow Up** Ask students when a salesperson should start thinking about closing a sale. Students should agree that a sale should be completed as soon as possible.

**Review the Objectives**

Identify customer buying signals. facial expressions, body language, and comments

List a few rules for closing a sale.

Recognize closing opportunities, help customers make a decision, create an ownership mentality, do not talk too much, and do not rush.

Select appropriate specialized methods for closing a sale, which close, standing-room-only close, direct close, and service close

Explain the importance of suggestion selling. The salesperson benefits because customers will want to do business again, which will increase sales.

List the rules for effective suggestion selling.

1. Use suggestion selling after the customer has made a commitment to buy but before payment is made or the order is written. 2. Make your recommendation from the customer’s point of view and give at least one reason for your suggestion. 3. Make the suggestion definite. 4. Show the item you are suggesting. 5. Make the suggestion positive.

Demonstrate appropriate specialized suggestion selling methods. Offer related merchandise, recommend larger quantities, and call attention to special sales opportunities.

Discuss strategies for maintaining and building a clientele.

After-sale activities by the sales and customer service staff as well as customer relationship management strategies are two key factors in building a clientele.

Explain the importance of customer service and follow-up. Customers expect immediate action when they file a complaint.

Explain the concept of customer relationship management. CRM provides companies with the means to develop and nurture customer relationships, including lead generation, sales support, and customer service.
Discuss the performance indicators for the DECA events listed, so that students understand how to demonstrate their understanding.

The event acronyms stand for:

- **AAM**: Apparel and Accessories Marketing Series
- **ADC**: Advertising Campaign Event
- **ASM**: Automotive Services Marketing Series
- **BSM**: Business Services Marketing Series
- **EMDM**: E-Commerce Management Team Decision Making Event
- **FMAL**: Food Marketing Series, AL
- **FMDM**: Financial Analysis Management Team Decision Making Event
- **FMML**: Food Marketing Series, ML
- **FSRM**: Full Service Restaurant Management Series
- **HMDM**: Hospitality Services Management Team Decision Making Event
- **HRR**: Hospitality and Recreation Marketing Research Event
- **MMS**: Marketing Management Series
- **QSRM**: Quick Serve Restaurant Management Series
- **RFSM**: Restaurant and Food Service Management Series
- **RMS**: Retail Merchandising Series
- **SEM**: Sports and Entertainment Marketing Series
- **SMDM**: Sports and Entertainment Marketing Management Team Decision Making Event
- **TMDM**: Travel and Tourism Marketing Management Team Decision Making Event
- **TSE**: Technical Sales Event

**DECA Events**

These acronyms represent DECA competitive events that involve concepts in this chapter:

- **AAM**: Apparel and Accessories Marketing Series
- **ASM**: Automotive Services Marketing Series
- **BSM**: Business Services Marketing Series
- **EMDM**: E-Commerce Management Team Decision Making Event
- **FMAL**: Food Marketing Series, AL
- **FMDM**: Financial Analysis Management Team Decision Making Event
- **FMML**: Food Marketing Series, ML
- **FSRM**: Full Service Restaurant Management Series
- **HMDM**: Hospitality Services Management Team Decision Making Event
- **HRR**: Hospitality and Recreation Marketing Research Event
- **MMS**: Marketing Management Series
- **QSRM**: Quick Serve Restaurant Management Series
- **RFSM**: Restaurant and Food Service Management Series
- **RMS**: Retail Merchandising Series
- **SEM**: Sports and Entertainment Marketing Series
- **SMDM**: Sports and Entertainment Marketing Management Team Decision Making Event
- **TMDM**: Travel and Tourism Marketing Management Team Decision Making Event
- **TSE**: Technical Sales Event

**Performance Indicators**

The performance indicators represent key skills and knowledge. Relating them to the concepts explained in this chapter is your key to success in DECA competitive events. Keep this in mind as you read, and write notes when you find material that helps you master a key skill. In these DECA competitive events, you should follow these performance indicators:

- Close the sale
- Demonstrate suggestion selling

The events with an asterisk also include:

- Plan follow-up strategies for use in selling
- Process special orders
- Process telephone orders

Some events include these performance indicators:

- **AAM/BMDM**: Show customers fashionable ways to accessorize garments
- **ADC**: Sell good/service/idea to individuals
- **EMDM**: Develop a plan for online suggestion selling
- **FMAL/FMML**: Bag merchandise
- **HLM**: Process special food requests
- **HMDM**: Ask for booking
- **QSRM/RFSM**: Take and process food orders
- **SEM/SMDM**: Sell tickets (ticket plans, new season, etc.)
- **TMDM**: Sell sport/event sponsorships

**DECA Prep**

**ROLE PLAY** Check your understanding of DECA performance indicators with the DECA activity in this chapter’s review. For more information and DECA Prep practice, go to the Marketing Essentials OLC through glencoe.com.
SECTION 15.1

How to Close a Sale

BELLRINGER ACTIVITY

To prepare students for reading this section, have them work as a group on a collaborative list of reasons why a customer will decide to buy. Reasons may include fulfilling a need, getting a deal, or imitating or emulating a friend.

Preteaching

VOCABULARY

KEY TERMS Ask a volunteer to read the key terms aloud and have students discuss their possible meanings.

ACADEMIC VOCABULARY Refer students to the OLC through glencoe.com for the Academic Vocabulary Glossary before they read the section.

GRAPHIC ORGANIZER

Model using the graphic organizer for students. Tell students to go to the OLC through glencoe.com for a printable graphic organizer.

Critical Thinking

Explain Ask students how the increasingly diverse marketplace affects the art of closing the sale. Answers may include handling customers of different ages, cultures, and other backgrounds requires that the salesperson be more skilled.

READING GUIDE

BEFORE YOU READ

Predict How can you tell if a customer is ready to buy?

OBJECTIVES

• Identify customer buying signals
• List a few rules for closing a sale
• Select appropriate specialized methods for closing a sale

THE MAIN IDEA

At a certain point in the sales process, your customer will be ready to make a purchase. In this section, you will learn how to close a sale.

GRAPHIC ORGANIZER

Draw this chart to identify information you need to know in order to close a sale.

KEY TERMS

• closing the sale
• buying signals
• trial close
• which close
• standing-room-only close
• direct close
• service close

ACADEMIC VOCABULARY

You will find these words in your reading and on your tests. Make sure you know their meanings.

• commit
• acquire

ACADEMIC STANDARDS

English Language Arts
NCTE 4 Use written language to communicate effectively.

Social Studies
NCSS 4 Individual Development and Identity: concepts drawn from psychology, social psychology, sociology, and anthropology as they apply to individuals, societies, and cultures

Closing Concepts and Techniques

Closing the sale is obtaining an agreement to buy from the customer. All efforts up to this step of the sale (pre-approach, approach, product presentation, and handling objections) have involved helping your customer make buying decisions.

To close a sale effectively, salespeople need to recognize when a customer is ready to buy. General rules and special methods help make this phase of the sales process occur seamlessly.

AS YOU READ

Question Why do some salespeople find closing the sale difficult? What can they do to be more effective?

Develop Concepts

THE MAIN IDEA

Ask a volunteer to read the main idea aloud and ask another student to rephrase it in his or her own words.

Students may suggest that salespeople fear rejection. To be more effective, they can study and practice the sales closing methods that are detailed in this section.
**Timing the Close**

Some customers are ready to buy sooner than others; therefore, you must be flexible. You may show a customer a product and almost immediately detect an opportunity to close the sale. Other times, you may spend an hour with a customer and still find that he or she is having difficulty making a decision.

**Buying Signals**

When attempting to close a sale, look for buying signals, the things customers do or say to indicate a readiness to buy. Buying signals include facial expressions, body language, and comments.

**Trial Close**

You may attempt a trial close to test the readiness of a customer and your interpretation of a positive buying signal. A trial close is an initial effort to close a sale.

Even if the close does not work, you will learn from the attempt. The customer will most likely tell you why he or she is not ready to commit to buying. If the trial close does work, you will reach your goal of closing the sale. In both cases, you are in an excellent position to continue with the sales process.

**Closing the Sale**

Professional salespeople recognize closing opportunities, help customers make a decision, and create an ownership mentality for the customer. You also want to avoid saying or doing a few things when closing a sale.

**Recognize Closing Opportunities**

Having a major obstacle removed usually makes a customer receptive to buying the product. You can also use effective product presentations to close the sale. Dramatic product presentations prove important selling points and get a customer excited about the product. Take advantage of high customer interest and attempt to close.

**Help Customers Make a Decision**

When a customer is having difficulty making a buying decision, stop showing additional merchandise. You should also narrow the selection of items by removing those things that are no longer of interest to the customer. You can do this by asking, “Which of these items do you like?”

**Buying Signals**

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**PHOTO GUIDE • IS the CUSTOMER READY to BUY?**

**Discussion** Lead a discussion on what signals indicate that a customer is ready to buy a product and how a sales associate could work off those signals to close the sale.

**Caption Answer** Answers may include comments that suggest ownership, the way she holds the merchandise, and facial expressions.

**Follow Up** Ask students how long it should take for a customer to be ready to buy. One answer might be that there is no set schedule for a customer’s readiness to buy. It can be immediate when he or she spots an item or hours later.

**Develop Concepts**

**Guided Practice**

**General Rules for Closing the Sale** Review with students the general rules for closing a sale: Recognize closing opportunities, help customers make a decision, create an ownership mentality, do not talk too much, and do not rush. Have students share examples from their own experiences.
During the holidays, the gift shop typically makes $4,500 over a weekend. If gift-wrapping increases holiday sales by 25 percent on weekends, how much more will the shop make?

$1,125; $4,500 \times .25 = $1,125

The gift shop is open from 11:00 A.M. to 7:00 P.M. and the typical customer gets two gifts wrapped for $2 per gift?

$224; 20 transactions/hour \times .35 = 7 transactions/hour; 7 transactions/hour \times 2 gifts/transaction = 14 gifts/hour; 14 gifts/hour \times $2/gift = $28/hour \times 8 hours = $224

The Electronic Close

Taking photos, playing music, and checking e-mail on a mobile phone are nothing new or that unusual for most mobile phone users in Japan. That country’s industry is the leader in utilizing creative mobile technology.

Near field communication (NFC) is a short-range wireless technology primarily used in mobile phones. With a radio frequency identification (RFID) chip embedded in the handset, NFC enables the consumer to use a mobile phone as a computer pass, bar code scanner, television, and even as a debit or credit card. Japan’s largest wireless operator, NTT DoCoMo, is light years ahead of the rest of the world in NFC technology. More than 20 million Japanese use phones with NFC circuitry. In addition, tens of thousands of vending machines, taxis, convenience stores, and turnstiles throughout Japan accommodate such technology.

New Phone Functions

Catering to more than half the mobile phone users in Japan, DoCoMo introduced scent-releasing models and models with touch-sensitive screens in early 2007. That same year, DoCoMo released models with motion-sensor technology, allowing users to play games similar to those played with the Nintendo Wii.

A Glimpse at the Future

Will Americans also start using their mobile phones as “electronic wallets”? Though the technology exists, U.S. mobile phone providers and consumer banks are not anxious about introducing NFC phones without first devising a successful business model.

Extended Activity

Cultural Differences in Closing the Sale

Have interested students research close techniques that are common in other cultures, such as bartering. Have students share their research in a five-minute oral presentation.
Hong Kong Octopus Is a Hit

The Octopus card, an electronic money card, has become a widely accepted electronic currency in Hong Kong. The card can be used to buy a newspaper at 7-Eleven, a meal at a fast-food restaurant, and even coffee at Starbucks. In all, more than 12,000 locations across Hong Kong accept the card.

A Hard-Working Card

Octopus is a stored-value card and works like a debit card. Money is automatically subtracted from the card’s monetary value when the card is held over a reading device. This device is a low-range radio transmitter that can be incorporated into doors, turnstiles, and countertops. Because reading devices can detect a card through leather and plastic, many people never remove their card but rather wave their purse or wallet over the reader. There are even Octopus watches and mobile-phone covers with the card technology built in.

Funds can be added to the cards at machines in subway stations, convenience stores, and via an automatic draw from a bank account.

S

Discussion

Ask students to brainstorm other ideas for Octopus devices. Ideas may include key chains, necklaces, or other items that may be worn or carried easily.

Critical Thinking

Answer: The Octopus card would be most helpful with the service close. If a customer did not have enough cash on hand to make a purchase, a salesperson could suggest the Octopus.

Online Action

For instructions, ideas, and answer guide, go to the Teacher Center at the Marketing Essentials OLC through glencoe.com.

Follow Up

Let students know that certain colleges and other groups use such cards. Some offer extra money per deposit to encourage the card’s usage over debit cards.

courteous, polite, and helpful. Always remember that your primary interest is customer satisfaction.

Specialized Methods for Closing the Sale

Attempt to close the sale as soon as you recognize a buying signal. How you go about this depends on the selling situation. Certain selling situations warrant the use of specialized methods, including the which, standing-room-only, direct, and service closes.

Which Close

The which close encourages a customer to make a decision between two items. Follow the general rules for closing a sale and remove unwanted items to bring the selection down to two. Review the benefits of each item and then ask the customer, “Which one do you prefer?”

Standing-Room-Only Close

The standing-room-only close is used when a product is in short supply or when the price will be going up in the near future. This close should be used only when the situation honestly calls for it because it may be perceived as a high-pressure tactic. In many situations, a salesperson can honestly say, “I’m sorry, but I can’t promise that I’ll be able to make you this same offer later.” This approach is often used in selling high-demand real estate. Customers must often be prompted to act on a hot property that will be off the market quickly.

Direct Close

The direct close is a method in which you ask for the sale. You would use the direct close method when the buying signal is very strong. Here are a few direct close approaches: “Can I assume that we’re ready to talk about the details of your order?” “It appears you like...”
SECTION 15.1

CONCEPTS
Ask students to recall the general rules for closing the sale.
Recognize closing opportunities, help customers make a decision, create an ownership mentality, do not talk too much, and do not rush.

KEY TERMS
Divide the key terms in two lists, and have half of the class study one of them. Have the halves quiz each other on the terms’ spellings and meanings.

INDEPENDENT REVIEW
L1 Assign and review Chapter 15 activities in the Student Activity Workbook.
L2 Assign and review Chapter 15 activities in the Marketing Math Workbook.
L3 Assign and review Chapter 15 activities in the BusinessWeek Reader with Case Studies.

ASSESS

AFTER YOU READ
Have students complete the Section 15.1 After You Read section review.

ONLINE STUDY TOOLS
Have students go to the Marketing Essentials OLC through glencoe.com for the Section 15.1 practice test.

ASSESS

INDEPENDENT REVIEW
L1 Assign and review Chapter 15 activities in the Student Activity Workbook.
L2 Assign and review Chapter 15 activities in the Marketing Math Workbook.
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ASSESS

AFTER YOU READ
Have students complete the Section 15.1 After You Read section review.

ONLINE STUDY TOOLS
Have students go to the Marketing Essentials OLC through glencoe.com for the Section 15.1 practice test.

everything I have shown you. Now we just need to discuss the quantity you will need.”

In a retail situation, you might also ask about payment: For example, “How would you like to pay for this purchase—cash, check, or credit card?”

Service Close
Sometimes you may run into obstacles or instances that require special services to close the sale. The service close is a closing method in which you explain services that overcome obstacles or problems. Such services include gift wrapping, a return policy, special sales arrangements, warranties and guarantees, and bonuses or premiums. You might want to explain the store’s return policy when a customer hesitates but seems to be willing to make the purchase anyway. This explanation is an especially good idea when a customer is purchasing the item as a gift for someone else.

Special sales arrangements are used to close the sale when the customer needs help in paying for the item or order.

The Service Close in Business-to-Business Situations
In an industrial selling situation, the sales representative would talk about the terms of the sale, discussing points such as when payment is expected. For example, payment could be due 30 or 60 days after the date of the invoice.

A customer may also need information about credit terms to help him or her decide to buy. In other cases, the customer may need a sample to try out before purchasing large quantities. Sometimes, offering a sampling program is beneficial if it is a new purchase or the buyer is changing vendors and needs proof that your product is a better substitute for the one currently being used.

The Service Close in Retail
In a retail selling situation, the use of credit and checks, as well as special buying plans such as layaway, can be suggested. When a customer questions the quality of the

merchandise, perhaps you can explain that a warranty or guarantee is offered on the product. When your business offers the same quality merchandise at the same price as your competitors, your service may be the only factor that affects the buying decision.

Failure to Close the Sale
Do not assume that every sales presentation should result in a sale. Even the best salespeople can sell to only a fraction of the prospects they call on. Research suggests that perseverance is the way to succeed.

In a retail setting, invite the customer to shop in your store again. In a business-to-business selling situation, ask if you may call again. In business-to-business selling, the sale is rarely closed on the first call. Business-to-business salespeople may negotiate with large accounts for over a year before closing the sale. Also remember that every sales contact has the potential to become a successful sale in the future.

Get Feedback
Experienced salespeople capitalize on defeat and come away from an unsuccessful selling experience with something to show for it. It is important to keep in mind that even a customer who does not make a purchase is still a prospect for future business. Be alert to what purchases today’s non-buyer might make in the future.

If you have established an excellent rapport with the buyer, you may be able to ask him or her what factors led to the decision to buy from another source. A request for constructive criticism may work for you if you have earned the buyer’s respect.

Maintain a Positive Attitude
The attitude of the salesperson who has not made the sale should be no different than that of the successful salesperson. It is very important for the salesperson to smile and be friendly after failing to make a sale. In business-to-business selling situations, it is not uncommon for a buyer to be convinced
Key Terms and Concepts

1. Why are trial closes beneficial?
2. Why should a salesperson stop talking about a product once a customer gives strong buying signals?
3. A customer seems to be frustrated because she likes three of the items you have shown her. What specialized closing method would you use to make her buying decision easier?

Academic Skills

4. To close the sale, you offer layaway as an option, which requires a 20 percent deposit. What would the required deposit be on a $350 coat?

English Language Arts/Writing

5. Write two paragraphs explaining how and when to close a sale. Also write examples of three different specialized methods of closing using a product of interest to you.

Extended Activity
Ask students to brainstorm some ways a salesperson can maintain a positive attitude. Answers will vary and may include a sense of perspective and stress management techniques.

3. You would use the which close specialized closing method, where you would make her buying decision easier by narrowing the selection of items to two and review the benefits of each.

Academic Skills

4. $70; $350 × .20 = $70

5. Paragraphs will vary based on the product selected. Students should provide examples of the which close, the direct close, and the standing-room-only close.
SECTION 15.2

Customer Satisfaction and Retention

BELLRINGER ACTIVITY

Have students imagine that they work at a men's dress suit store. Ask: After a customer buys a suit, what items can be sold to that customer through suggestion selling? Have students share their responses in class. Answers may include ties, shirts, tie pins, cuff links, and belts.

Preteaching

VOCABULARY

KEY TERMS  Read the key terms aloud, or have a student volunteer to read them aloud. Ask students to look up their meanings and share examples from their experience.

ACADEMIC VOCABULARY  Refer students to the OLC through glencoe.com for the Academic Vocabulary Glossary before they read the section.

GRAPHIC ORGANIZER

Model using the graphic organizer for students. Tell students to go to the OLC through glencoe.com for a printable graphic organizer.

NCLB connects academic correlations to book content.

Critical Thinking

Drawing Conclusions

Explain  Ask students: How does suggestion selling enhance customer satisfaction? Students may offer that suggestion selling allows a salesperson to give customers the best product or service available and also shows that the salesperson is looking out for the customers’ needs.

Academic Vocabulary

You will find these words in your reading and on your tests. Make sure you know their meanings.

• appreciation
• volume

Effective Selling

Maintaining and building a clientele is crucial for future sales. The actual sale is just the beginning of a relationship with a customer. To keep customers, it is important to make a good impression, get to know your customers, and provide excellent customer service.

BEFORE YOU READ

Have students list stores or brands to which they are loyal and provide reasons why.

THE MAIN IDEA

The goal of selling is to help customers make satisfying buying decisions so they will buy from you again. Creating a positive relationship with customers will ensure future business.

GRAPHIC ORGANIZER

Draw this chart to summarize key points for suggestion selling, and for building a clientele.

OBJECTIVES

• Explain the importance of suggestion selling
• List the rules for effective suggestion selling
• Demonstrate appropriate specialized suggestion selling methods
• Discuss strategies for maintaining and building a clientele
• Explain the importance of customer service and follow-up
• Explain the concept of customer relationship management

THE MAIN IDEA

The goal of selling is to help customers make satisfying buying decisions so they will buy from you again. Creating a positive relationship with customers will ensure future business.

Effective Selling

Maintaining and building a clientele is crucial for future sales. The actual sale is just the beginning of a relationship with a customer. To keep customers, it is important to make a good impression, get to know your customers, and provide excellent customer service.

AS YOU READ

Have a volunteer to read the main idea aloud and ask another student to retell it in his or her own words.

AS YOU READ

Experiences may include clerks at a fast-food restaurant. Have students recall other examples as they read the section.

NCLB connects academic correlations to book content.

ACADEMIC STANDARDS

English Language Arts
NCTE 4  Use written language to communicate effectively.

Social Studies
NCSS 4  Individual Development and Identity: concepts drawn from psychology, social psychology, sociology, and anthropology as they apply to individuals, societies, and cultures

320  UNIT 5 — SELLING
Suggestion Selling

Suggestion selling is selling additional goods or services to the customer. It involves selling customers other items that will ultimately save time and money or make the original purchase more appreciated.

Consider the customer who buys an electronic toy for a child, takes it home, and only then realizes that he or she has no batteries for it. The salesperson would have had a sure sale with a suggestion to buy batteries.

Benefits of Suggestion Selling

Suggestion selling benefits the salesperson, the customer, and the company. You benefit because customers will want to do business with you again, and as a result of your efforts, your sales will increase. Since salespeople are often evaluated on their sales figures, you will be viewed as an effective salesperson. Your customer benefits because he or she is more pleased with the original purchase. The firm benefits because the time and cost involved in suggestion selling is less than the cost of making the original sale.

Consider the two purchases in the following chart. The second includes an extra item, a suggestion from the salesperson. Note that the extra time spent on suggestion selling significantly increased the firm’s net profits. Expenses rose, but not in proportion to the sales volume. There are two reasons for this. First, less time and effort are needed for suggestion selling compared with the initial sale. Second, certain business expenses (such as utilities and rent) remain the same despite the extra sales activity.

<table>
<thead>
<tr>
<th>Purchase 1</th>
<th>Purchase 2</th>
</tr>
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<tbody>
<tr>
<td>Pants</td>
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<tr>
<td>Shirt</td>
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<td>Net profit</td>
<td>Net profit</td>
</tr>
<tr>
<td>$ 26</td>
<td>$ 40</td>
</tr>
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</table>

Rules for Suggestion Selling

Here are five basic rules for using suggestion selling:

1. Use suggestion selling after the customer has made a commitment to buy but before payment is made or the order is written. Introducing additional merchandise before the sale has been closed can create pressure for the customer. The only exception to this rule involves products whose accessories are a major benefit. Let’s say you are showing a retailer a new type of video game system. To clinch the sale, you may need to tell the retailer about the exciting new video games that will be sold in conjunction with that new system.

2. Make your recommendation from the customer’s point of view and give at least one reason for your suggestion. You might say, “For your child to enjoy this toy immediately, you’ll need two AAA batteries.”

3. Make the suggestion definite. Don’t ask, “Will that be all?” Instead say, “This oil is recommended by the manufacturer for this engine.” In most cases, general questions invite a negative response.

4. Show the item you are suggesting. Merely talking about it is not enough. In many cases, the item will sell itself if you let the customer see and handle it. You may put a matching purse next to the shoes a customer has just decided to buy, particularly with some commentary. You might say, “This purse matches your shoes perfectly, doesn’t it?”

5. Make the suggestion positive. You could say, “Let me show you the matching top to that skirt. It will complete the outfit beautifully.”

Suggestion Selling Methods

Three methods are used in suggestion selling: offering related merchandise, recommending larger quantities, and calling attention to special sales opportunities. Figure 15.1 on page 322 shows an example of using suggestion selling.

Online Suggestion Selling

Show students pages taken from online retail stores that state something like “customers who order the item that you ordered also buy this item.” Ask students if they would consider more items as a result of this type of suggestion selling. Answers will vary; many will say yes because the suggestion selling is personalized.
**Skills Practice**

**Independent Practice**

**Section 15.2**

**Suggestion Selling Methods**

Ask students to consider a situation in which an auto salesperson uses follow-up techniques.

**L1**

Have students identify follow-up techniques that could be used by auto dealers. Answers may include sending customers letters thanking them for their business, including the customer in a satisfaction survey, and offering reduced pricing on the first routine maintenance service.

**L2**

Have students select a follow-up technique and describe it in a one-page memo to management. Ask them to cite the benefits of the suggested technique.

**L3**

Have students create a one-page letter that would be sent to customers as part of a follow-up technique used by an auto dealer.

**Discussion**

After students read Figure 15.1, have them brainstorm ways that suggestion selling benefits the customer and business. Responses might include that suggestion selling helps a customer better enjoy his or her purchase and possibly prevents a second trip to the store.

**Caption Answer**

Examples might include buying a second item for half-price, an accessory to go with an article of clothing, or extra memory for a digital camera.

**Online Action!**

Go to the Marketing Essentials OLC through glencoe.com for a project on suggestion selling.
sections}

**Offering Related Merchandise**

In some businesses, this method is called cross-selling. You use the opportunity at the end of a sale to introduce another product of possible interest to the customer. Introducing related merchandise is probably the easiest and most effective suggestion selling method.

**Recommending Larger Quantities**

Suggesting a larger quantity is often referred to as up-selling. This method works in retail settings when selling inexpensive items or when savings in money or time and convenience are involved.

In business-to-business sales situations, the salesperson may suggest a larger quantity so that the customer can take advantage of lower prices or special considerations.

**Calling Attention to Special Sales Opportunities**

Salespeople are obligated to communicate special sales opportunities to their customers. In retail sales, routinely inform your customer of the arrival of new merchandise. Regular customers appreciate this special service because they like having the opportunity to see new merchandise before others do.

In business-to-business sales situations, sales representatives often show new items to their customers after they have completed the sale of merchandise requested. Thus, the salesperson establishes a rapport with the customer before introducing new merchandise.

**Maintaining and Building a Clientele**

Making a sale is the first step in maintaining and building a clientele. After-sale activities by the sales and customer service staff, as well as customer relationship management strategies employed by the company, are two key factors in building a clientele.

**After-Sales Activities**

After-sale activities include order processing, departure, order fulfillment, follow-up, and customer service. All these activities need to be handled in such a way that it generates repeat business.

**Order Processing**

In retail selling, bag the merchandise with care. Products such as glassware may require individual wrapping before bagging. Work quickly to bag your customer’s merchandise and complete the payment process. In business-to-business sales, complete the paperwork quickly and leave a business card.

**Departure**

Before the customer departs or before you leave your client’s office, reassure the person of his or her wise buying choices. If an item needs special care or specific instructions, take the time to educate your customer about it. You may want to remind the customer, for example, that to get the best results from a Teflon-coated frying pan, it should be preheated. Helpful comments like this will make your customer feel you are interested and concerned.

Always thank your customers. Even when a customer does not buy, express your gratitude for the time and attention given to you. Invite him or her back to the store, or ask for permission to call again in the near future.

**Order Fulfillment**

In a retail store, fulfillment is a simple process of the customer paying for merchandise and carrying it away. In e-commerce, mail order, or telemarketing sales, order fulfillment gets more complicated. It includes taking the order, financial processing (such as credit card information), picking the right product, packaging it well, and shipping it according to the customer’s preference. In some companies, fulfillment also includes customer service, technical support, managing inventory, and handling returns and refunds. The goal, of course, is to make the customer happy.

In the new e-commerce economy, success often depends as much on appropriate fulfillment strategies as it does on having the right product at the right price. Some of the most successful online retailers have established

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**Online Activity**

**Packaging**

Have students research Web sites that provide information about bagging and packaging options. Ask them to write a paragraph explaining how the packaging and protecting of products help a business’s customer relations, giving specific examples of how items can be packaged and sent.

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**Extended Activity**

Ask students if there are cases where it is not ethical to suggest buying more quantities of a product. Answers will vary, but students may say that items that spoil or deteriorate quickly should not be sold in high quantities.

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**Writing Support**

**Suggestion Selling Opportunities**

Have students research cultural, religious or national holidays, such as Rosh Hashanah, Cinco de Mayo, Ramadan, Christmas, Kwanzaa, Hanukkah, Valentine’s Day, Father’s Day, and Mother’s Day. Ask them to create a calendar listing those holidays and others in which special foods are eaten and/or gifts are given or exchanged. Have students then write a one- to two-page report about how a business of their choice can use the events to increase sales. Interested students can write their reports on a particular demographic or another country.

**Reading Strategy**

**Guided Practice**

**Explain**

Preview the following words by reading them in context in the section Maintaining and Building a Clientele. Have students explain what they think the words mean:

- **fulfillment**: to carry out something promised, desired, or expected
- **clientele**: all one’s clients and customers, collectively
- **empathetic**: of or characterized by the ability to share in a person’s emotions, thoughts, or feelings

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**Develop Concepts**

**After-Sales Activities**

Ask students to present their experiences of after-sales activities. Have them state if such actions by the salespeople make it more likely for them to give return business. Most students should agree that departure, follow-up, and other after-sales activities are appreciated by most customers.

**Model**

Share examples of after-sales activities you have experienced, such as follow-up calls, e-mails from e-tailers, or letters from educational publishers.
Critical Thinking

Guided Practice

Customer Relationship Management (CRM)  Inform students that many online stores have a built-in program that, when you are logged in, recalls the types of products you are interested in and makes customized suggestions for you. Ask them for examples from sites such as Amazon.com or adidas.com, which recall your previous orders and make recommendations based on them.

Demonstrate  If you or your school has an online account with such a retailer, show how the site recalls your previously purchased and recently viewed products.

Clarify  Inform students that CRM can be practiced in brick-and-mortar stores as well as online ones. For example, a video store person may make recommendations based on your previous rentals or a shoe store may let you know if a shipment has come in from a shoe manufacturer that you have bought before. Ask students to think of other examples and share them with the class.

Follow-Up

The follow-up includes making arrangements to follow through on all promises made to the customer during the sales process. It also includes checking on your customer’s satisfaction with his or her purchase. Here are a few follow-up ideas:

• Call the shipping department to confirm a special delivery date.
• Check to make sure that delivery occurs as promised.
• Call the customer and explain any delay.
• Phone the customer a week or two after the purchase to see if he or she is happy with the selection.
• Send a thank-you note with your business card attached.

Customer Service

Some firms have customer service departments to handle customer inquiries and complaints. For example, in some auto dealerships, specific customer service representatives are assigned to each customer to handle appointments and questions with auto problems and regular servicing. In business-to-business sales, customer complaints should be provided to the sales representatives who are responsible for those customers.

Partnering Selling

Discussion  After students read Net Marketing, lead a discussion about partnerships. What are some other kinds of businesses that the National Geographic Society could have partnered with? Have students explain their responses. Answers may include other computer-related companies such as Apple or a photo agency such as Getty Images.

THINK LIKE A MARKETER  Answer: IBM demonstrates the concepts of partnership selling by acting as a consultant and partner in helping companies solve their technology problems.

@ Online Action!  For instructions, ideas, and answer guide, go to the Teacher Center at the Marketing Essentials OLC through glencoe.com
How these complaints are handled is crucial to maintaining clientele. Customers expect immediate action when they file a complaint. Positive customer-client relations require compassionate and understanding personnel and sales associates who are problem solvers. The main goal is customer satisfaction.

**Keeping a Client File**

You can use the time immediately after the sale to plan for your next encounter with the customer. Take notes on your conversation with the customer. Keep this in a file for future reference. In retail sales, note a customer's preference in color, style, and size, as well as the person's address and telephone number. In business-to-business selling, record personal information on the buyer's marital status, children, and hobbies to assist with future sales visits. Record changes in buying patterns that may lead to future sales as you also analyze sales reports. Note any future service dates for appliances or cars so that you can send a reminder when the time comes. Be sure to inform your company of any changes you uncover, such as changes in personnel responsible for buying, as well as address or telephone changes so that company files can be kept up to date.

**Evaluate Your Sales Efforts**

Even if your company has a formal method of reviewing your efforts, you should conduct your own evaluation. In your evaluation, consider the following:

- **KEEP TRACK OF CUSTOMERS**
  Most companies maintain a computerized customer database. Such databases must be updated on a regular basis to remain useful.

  What should salespeople do to keep a customer database up-to-date?
CONCEPTS
Ask students to list the rules for effective suggestion selling.  
1) Use suggestion selling after the customer has made a commitment to buy but before payment is made or the order is written.  
2) Make your recommendation from the customer’s point of view and give at least one reason for the suggestion.  
3) Make the suggestion definite.  
4) Show the item you are suggesting.  
5) Make the suggestion positive.

KEY TERMS
Have students review the key terms and their definitions.

INDEPENDENT REVIEW
L1 Assign and review Chapter 15 activities in the Student Activity Workbook.  
L2 Assign and review Chapter 15 activities in the Marketing Math Workbook.  
L3 Assign and review Chapter 15 activities in the BusinessWeek Reader with Case Studies.

• What were the strong points of your sales presentation?  
• What did you do wrong?  
• How could you have improved your performance?  
• What would you do differently next time?  
• What can you do now to solidify your relationship with your customer if you made the sale?

Objective self-evaluation is a helpful tool in any career. Asking yourself these questions can help you improve your selling skills as well as your business skills in general. They will enable you to look forward to your next sales opportunity. That kind of attitude will help you become more effective with each sales contact. It will also help you become more successful in building a strong relationship with your customers.

Customer Relationship Management (CRM)
A popular trend among companies today is customer relationship management (CRM), which involves finding customers and keeping them satisfied. CRM provides companies with the means to develop and nurture customer relationships, including lead generation, sales support, customer service, and other after-sales activities.

Technology and CRM
Technology can play a role in this endeavor. Some companies purchase software that can be customized for their business. Others may subscribe to the services of Web-based companies for similar CRM services. For example, Siebel CRM OnDemand and salesforce.com host customer relationship management services. According to a case study at Siebel’s Web site, General Orthodontic selected Siebel CRM OnDemand when General Orthodontic realized it needed to manage an overwhelming number of new sales leads. Since it was a start-up company, it also had to keep costs down and still provide a high level of customer service if it wanted to be successful.

The value of a good relationship is not a new idea. Marketers have long recognized that identifying the needs of customers and satisfying them can be profitable. However, only recently have firms made a dedicated effort to use customer relationship management.

By examining successful partnerships in business and elsewhere, marketers have discovered that enduring relationships are built on trust and commitment and require a lot of time and effort to maintain.

Maintaining Contact
To maintain sales accounts, it is important to offer solutions to problems and to stay in contact, acting as a partner or consultant for your customers. For example, a manufacturer of artificial knees or hips may actually be present in the operating room during such a procedure in case there is a question or problem.

You may have seen commercials for IBM and American Express, where they stress their commitment to their customers in providing solutions to their problems, thus demonstrating consultative selling. That commitment signifies their role in relationship building. For example, IBM helped the National Geographic Society with its own photography e-commerce site.

Maintain Relationships
Relationship marketing is alive and well in both traditional and e-commerce marketing. Consider the example set by Harley-Davidson, the motorcycle manufacturer. The company established a club for its members, and it markets services such as motorcycle insurance and travel assistance to those members.

An e-commerce example of relationship marketing is Amazon.com’s practice of collecting information about customers’ book purchases and then e-mailing personalized information about promotions and mer-
Develop Customer Loyalty

Customer loyalty cannot be taken for granted, especially with the high level of competition in today’s market. A company can stay close to its customers and keep them happy by having the sale be the first step in developing a relationship, not the final one.

Think of after-sale activities as part of an ongoing dialog with customers in preparation for future sales. This is simplified with the use of e-mail, which can be used to keep customers informed about sales, new products, and important company news.

Customer Loyalty and Reward Programs

Some companies also reward their regular customers through loyalty programs such as frequent flyer programs. E-mailed questionnaires with prize entries or advance notice of special sales are other practices marketers have developed to create and reinforce loyalty. You can also send that information in the mail or have a customer service representative communicate with your customers by phone.

Key Terms and Concepts

1. Explain how suggestion selling can increase a firm’s net profit.
2. List three related items that could be used for suggestion selling after a customer’s decision to buy a bicycle.
3. How can a salesperson use the time immediately after the sale to plan for his or her next encounter with that customer?

Academic Skills

4. You sold a $715 item via the Internet to a European customer, a Japanese customer, and a New Zealand customer. Use the chart below to calculate the total amount due for the product and applicable duties and customs for each of the three customers.

<table>
<thead>
<tr>
<th>Duties &amp; Customs</th>
<th>Europe</th>
<th>Japan</th>
<th>New Zealand</th>
</tr>
</thead>
<tbody>
<tr>
<td>20%</td>
<td>9%</td>
<td>50%</td>
<td></td>
</tr>
</tbody>
</table>

5. Write about suggestion selling and measures that can be taken to build and maintain clientele in the sale of a product of your choice. Provide examples of related merchandise to suggest, and specific measures to take in after-sale activities and customer relationship management.

Academic Skills

4. Europe: $715 \times 1.2 = $858
   Japan: $715 \times 1.09 = $779.35
   New Zealand: $715 \times 1.5 = $1,072.50

Extended Activity

Ask students why keeping and maintaining customer loyalty is a common challenge in different industries. Answers may include increased competition and rapidly improving customer service due to technology and training.
Test-Taking Strategies

Ask students to write the chapter objectives on flash cards and quiz themselves to review the chapter concepts. When they are satisfied that they have learned a new concept, they can remove the card and concentrate on the concepts that remain. Students can also make cards to review vocabulary terms or mathematical formulas.
SECTION 15.1
- Customer buying signals help a salesperson determine a customer’s readiness to buy.
- Close the sale as soon as the customer is ready to buy.
- Use success in answering objections or presenting a product as an opportunity to close.
- Help customers make a decision and create an ownership mentality.
- Four specialized methods for closing a sale include the direct close, the which close, the standing-room-only close, and the service close.

SECTION 15.2
- Suggestion selling helps generate sales revenue and helps create satisfied customers.
- Three specialized suggestion selling methods are (a) offering related merchandise, also referred to as cross-selling; (b) selling larger quantities, also referred to as up-selling; and (c) calling attention to special sales opportunities.
- After-sales activities and customer relationship management (CRM) are important for maintaining and building a clientele. They include order processing, departure, order fulfillment, follow-up, customer service, keeping client files, and evaluating sales efforts.

REVIEW VOCABULARY
1. On a sheet of paper, use each of these key terms and academic vocabulary words in a written sentence.

**Key Terms**
- closing the sale (p. 314)
- buying signals (p. 315)
- trial close (p. 315)
- which close (p. 317)
- standing-room-only close (p. 317)

**Academic Vocabulary**
- commit (p. 315)
- acquire (p. 316)
- appreciate (p. 321)
- volume (p. 321)

2. List three factors that are important to keeping customers (15.2)
3. List benefits of suggestion selling (15.2)
4. Name two activities a salesperson might do after a sale (15.2)
5. What do customer service departments do? (15.2)
12. Workplace Skills
Role plays should demonstrate selling and completing the sale. The student who plays the salesperson should use cash, count back change, and properly fold, wrap, and bag merchandise. At the transaction’s end, the student should thank the customer and invite him or her to return again.

13. Technology Applications
Presentations should include ideas on how to help customer service representatives cross-sell after answering, inquiring, and problem solving.

14. Math Practice
37 meetings; 30 meetings/month × 1.25 = 37.5 = approximately 37 meetings

15. English Language Arts
Accept all reasonable reports that reflect a salesperson properly handling a customer’s indecision. Examples should include techniques such as the which-close, or direct-close techniques.

16. Explaining and Evaluating Selling Policies
Reports on retailers’ pricing policies should evaluate their effectiveness, citing sales approaches, merchandise return policies, and payment options.

17. Maintaining Clientele
Presentations should note the purpose of the business and define its clientele.

Formative Assessment
Formative assessment is an essential component of classroom work. This type of assessment provides information that is then used as feedback to modify teaching and meet student needs.

1. Have students write or demonstrate at least three methods of closing a sale.
2. Have students write a narrative description of two different methods of closing a sale.
3. Have students write a script and act out three methods of closing a sale. Have the class identify each method and rate its execution by the salesperson.

If the results of this formative assessment seem low, consider the following activity:
Read each of the section headings aloud. Have students identify the major points of each section and explain them in their own words. Clear up any confusion students may have.
### Standardized Test Practice

**1. Directions**  Choose the letter of the best answer. Write the letter for the answer on a separate piece of paper.

Which is NOT considered a specialized method for closing a sale?

A. price close  
B. which close  
C. direct close  
D. standing-room-only close

**2. Directions**  Choose either True or False as the answer. Write the letter for the answer on a separate piece of paper.

Suggestion selling is selling additional goods and services to the customer.

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F

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**Test-Taking Tip**

Budget your time, make sure you have enough time to answer all of the questions.

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**Mini-Quiz**

Read these sentences to the students and have them volunteer the missing word(s).

1. The ______ is a closing method that encourages a customer to make a decision between two items. (which close)

2. ______ Include order processing, departure, order fulfillment, follow-up, and customer service. (After-sale activities)

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**Chapter 15 Review**

**Role Play**

**Clothing Store Sales Associate**

**Situation**  Assume the role of an experienced sales associate. You have been hired by an upscale clothing store that will open for business in one week. The sales staff has received extensive training. Today’s training topic was “Service after the Sale.” The training included instruction about how to wrap and bag customer purchases, process payment, follow-up, and establish, maintain, and use a customer file. An inexperienced sales associate (judge) has asked you why after-sale activity is important. He/she (judge) has said that the customer has already made the purchase, so why make the extra effort.

**Activity**  You are to explain to the inexperienced sales associate (judge) about the importance of after-sale customer service. Prepare your thoughts and make notes if necessary.

**Evaluation**  You will be evaluated on how well you meet the following performance indicators:

- Explain the selling process.
- Plan follow-up strategies for use in selling.
- Process sales transactions.
- Pack and wrap purchases.
- Establish relationship with customer.

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**Online Action!**

For more information and DECA Prep practice, go to the *Marketing Essentials OLC* through glencoe.com.

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**DECA Advisors Corner**

Teach students about the Technical Sales Event in the Marketing Representative Events, in which students organize and deliver a sales presentation. The logical presentation of a sale reinforces the competencies of this event.

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**For more information and DECA Prep practice, go to the *Marketing Essentials OLC* through glencoe.com.**

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