

BTEC Level 4

Professional Diploma in Strategic Sales and Marketing

© Resource Development International Consultants Ltd (RDI)

All rights reserved. Except as permitted under current legislation, no part of this workbook may be photocopied, stored in a retrieval system, published, adapted, transmitted, recorded or reproduced in any form or by any means, without the prior consent of one of the copyright owners. Initial enquiries should be addressed to RDI Consultants Ltd.

The right of RDI as the authors of this workbook has been asserted in accordance with the Copyright, Designs and Patents Act 1988.

First published in 2007 for RDI Consultants Ltd

RDI
Midland Management Centre
1A Brandon Lane
Coventry
CV3 3RD
UK

Professional Diploma in Strategic Sales and Marketing**Contents****How to use this workbook****Introduction****Unit 1****Introduction to Strategic Sales and Marketing**

Introduction	3
What is Strategic Sales and Marketing?	3
Relationship between Sales and Marketing	8
Role of Marketing in organisations	12
Contemporary Issues in Sales and Marketing	20
Summary	25
References	27

Unit 2**The Market-Driven Approach**

Introduction	29
Market Perspectives on Corporate Strategy	30
The Global Dimension	43
Organisational Focus and Culture	60
Summary	70
References	72

Unit 3**Strategic Marketing**

Introduction	73
Market Management	73
Marketing Research	92
Relationship Management and Customer Satisfaction	105
Summary	116
References	118

Unit 4**Advanced Selling**

Introduction	119
The Sales Phases	120
The Sales Process	150
Selling Techniques	163
International Selling	169
Quality-Driven Selling	180
Complex Problem Solving	186
Advanced Communication Skills	189
Summary	194
Additional Reading	198

Unit 5**Sales Management**

Introduction	199
Sales Planning	200
Sales Monitoring and Control	214
Sales Organisation	222
Sales Leadership, Motivation and Team Development	230
Managing Customer Relationships	238
Key Account Management	246
Summary	259
Additional Reading	262

Unit 6**Ethical and Legal Issues**

Introduction	263
Ethical Issues in Sales and Marketing	263
Legal Issues	269
Summary	276
References	278

How to use this workbook

This workbook has been designed to provide you with the course material necessary to complete Professional Diploma in Strategic Sales and Marketing by distance learning. At various stages throughout the module you will encounter icons as outlined below which indicate what you are required to do to help you learn.

This **Activity** icon refers to an activity where you are required to undertake a specific task. These could include reading, questioning, writing, research, analysing, evaluating, etc.



This **Activity Feedback** icon is used to provide you with the information required to confirm and reinforce the learning outcomes of the activity.



This **Key Point** icon is included to stress the importance of a particular piece of information.



It is important that you utilise these icons as together they will provide you with the underpinning knowledge required to understand concepts and theories and apply them to the business and management environment. Try to use your own background knowledge when completing the activities and draw the best ideas and solutions you can from your work experience. If possible, discuss your ideas with other students or your colleagues; this will make learning much more stimulating. Remember, if in doubt, or you need answers to any questions about this workbook or how to study, ask your tutor.

Sales and Marketing Level 4

Introduction

This course focuses on strategic sales and marketing, giving practising sales, marketing and key account managers the foundation for formal development in their increasingly strategic roles.

The course commences by describing the critical relationship between sales and marketing in today's business environment of complex, highly competitive global markets. The strategic nature of the roles is emphasised and the necessity for a market-driven and holistic approach is established.

The market management process is developed. In particular, the stages of understanding the marketplace, market segmentation, portfolio analysis, developing segmentation strategies, business plan alignment and the on-going task of market management are detailed.

Repeated sales success, improved business performance and sustainable competitive advantage all require sound, client-centric, organisational sales processes. However excellent the sales team, dependence on the salesperson's knowledge of the market offering or natural flair is not enough in today's highly competitive marketplace. To this end, the organisational processes of opportunity management, sales solution design and sales delivery are examined, together with the sales roles in these processes. Advanced selling techniques such as relationship selling, solution selling, consultative selling and neuro-linguistic programming are also analysed.

Aimed particularly at sales managers, the sales management process is covered in depth. The need for holistic management is emphasised in sales planning, as well as in sales monitoring and control. Given that for most companies, the vast proportion of revenue arises from repeat business from a few strategic customers or key accounts, the strategic nature of managing client relationships and developing customer intimacy is examined.

In the final unit we note how critical it is today for progressive companies to place a high focus on ethical and socially responsible

policies. Not only do they earn a high reputation in this way, but they are usually rewarded with more sustainable business. In this context, ethical and legal issues affecting sales and marketing are introduced.

The topics covered in this course are divided into six units:

Unit 1: Introduction to Strategic Sales and Marketing

Unit 2: The Market-Driven Approach

Unit 3: Strategic Marketing

Unit 4: Advances Selling

Unit 5: Sales Management

Unit 6: Ethical and Legal Issues

Unit I

Introduction to Strategic Sales and Marketing

Introduction

This unit gives an introduction to the subject of strategic sales and marketing. It sets the background for selling in today's complex and highly competitive global markets.

The unit will commence by considering what strategic sales and marketing are, and then examine the critical relationship between the two in business development. The evolution of marketing to its strategic role in organisational strategy will be developed. Contemporary issues in sales and marketing will be considered; specifically, issues concerning the globalisation of markets, the opportunities and challenges provided by e-commerce, the role of strategic partnerships in today's competitive business environment, customer intimacy, and the emergence of account management and relationship management as key sales roles.

On completion of this unit you should be able to:

- Explain what is meant by strategic sales and marketing, and assess the relationship between the two in business development.
- Explore the key role of marketing in contemporary organisations.
- Analyse the key challenges faced by your organisation's sales and marketing function.

What is Strategic Sales and Marketing?

Strategic sales and *marketing* are frequently used buzz words in business. But what exactly is strategic sales? What is strategic marketing? The terms *sales* and *marketing* are often incorrectly

used synonymously. So how do strategic sales and marketing differ? How do they inter-relate in business development, and why are they of such strategic importance to organisations? These are some of the questions we shall answer in this section.



ACTIVITY

Before reading the next section, consider what the terms strategic marketing and strategic sales mean to you.

How do they inter-relate?

Why are these disciplines integral to the strategy of the organisation?

Key Definitions of Strategic Marketing

Marketing is the discipline associated with identifying the needs and wants of a target set of customers, and then creating market offerings to satisfy those customer needs and wants. The market offering may be a product, a service or a combination of both to meet the particular business need of the customer. The last category is often referred to as a solution, and is an increasingly important part of sales and marketing in commercial environments today.

The business activities in marketing include market research, customer needs analysis, and strategic decision making about the design, pricing, promotion and distribution of the market offering.

The American Marketing Association definition of marketing is: 'The process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational objectives.'

At the heart of marketing is customer satisfaction and increasing profit. Marketing is all about having the 'right market offering at the right time, place and price'. The foundations of marketing are based on what is referred to as the 5Ps, or the marketing mix:

- Product.
- Price.
- Promotion.

- Place.
- People.

Most of you will have already come across the 5Ps. Let us briefly refresh our understanding of the 5Ps. By 'Product' we mean the product concept or market concept. The market concept may well be a product, but can also be a service or a solution. Finding the right product concept is a key marketing function. 'Price' refers to the pricing decisions that are made to optimise price competitiveness in the marketplace. It is finding the price that the customer is willing to pay. 'Promotion' refers to the methods by which the market offering is communicated to potential customers. The 'P' in 'Place' refers to the 'where and who' in selling. Where you will market and who will deliver your product/services/solution to your customers. It includes decisions about market coverage, demographics, geographical coverage and distribution channels. The final 'P', 'People', was added later to the marketing mix, as the key role of people came to be recognised; particularly in the services industries. 'People' really refers to customer service; specifically, how well your staff (in particular, customer-facing staff) serve the requirements of customers. This element of the marketing mix should not be under-estimated, because when we talk about markets we are really talking about people. When we create marketing plans we are designing ways to effectively communicate with people.

Some consider the 5 Ps of marketing to be an outdated concept. With the increasing dominance of the services sector in many Western economies, the 5 Ps has been expanded to be the 7 Ps for the services sector. The two additional Ps being 'Process' and 'Physical Evidence'. Process is now a vital element in any marketing strategy, and refers to *how* the service/solution is delivered. We shall consider this in some depth in later sections. By physical evidence we mean the ability to communicate the benefits of your service to potential customers. It is that which the customer can sense physically that contributes to their perception of the service. These latter two Ps are vital when marketing services and solutions.

With rapid changes in the business environment, and, in particular, as a result of the pervasive influence of the Internet, the term marketing has come to mean other things. However, it should be noted that the foundations of marketing remain largely the same, but the vehicles for marketing are changing. In particular, the age of the Internet and accessibility to new technologies is providing new opportunities for market promotion, market reach and distribution. It is also providing

vendors with the electronic infrastructure and tools for rapid customer responsiveness and improved service.

KEY POINT



Marketing is a customer-centric discipline commencing with careful analysis of the marketplace, and then action to implement a plan. It is strategy development, followed by logical and thought-out tactical implementation.

Key Definitions of Strategic Selling

Strategic selling is the practical implementation of strategic marketing; in particular, the implementation of the marketing plan. It is focused on achieving the top line of the income statement. The sales function of any organisation determines the organisation's success, future and survival.

To re-iterate, the focus of sales is to increase profit. To best achieve this, the salesperson must be knowledgeable about the business environment and the markets that they are selling into.

The business landscape of today is very different to that of even 5-10 years ago. Traditional methods of selling are no longer apt. Strategic selling recognises that the market offerings of today need to be customised, flexible and tailored to the business need of the customer. This requires high situational and domain knowledge on the part of the salesforce. In most commercial contexts, no individual has the entire breadth of skills and competencies required to make a complex sale. Thus, strategic selling is a team effort that mobilises the entire vendor organisation. Strategic selling requires that the entire vendor organisation has a customer-focus. This is particularly so in the context of services and solutions sales. Commercial market offerings almost always require you to establish and develop a high-level relationship with the customer. Thus, there is an increasing emphasis on relationship selling and key account management. We shall look at these areas in more detail later. The relationship with the customer organisation must cascade down from the executive levels all the way down to the technical people who will use your market offering on an operational basis. Strategic selling must integrate the strategic and political dimensions. It must identify the key players and decision-makers in the customer organisation, manage their differences and promote a unified buying vision that includes your market offering.