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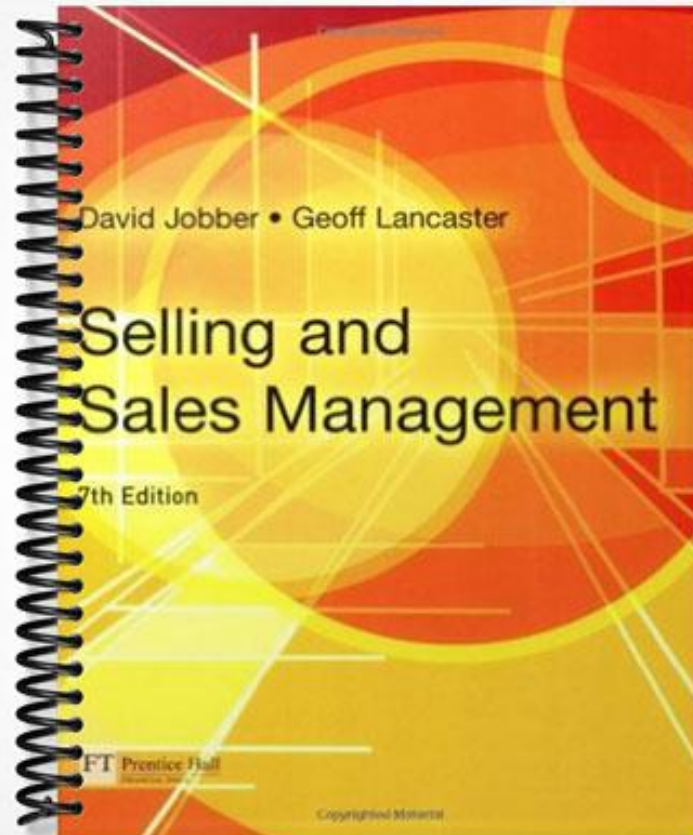
David Jobber • Geoff Lancaster

# Selling and Sales Management

7th Edition

FT Prentice Hall

# Instructor's Manual

# Selling and Sales Management

## Seventh Edition

## David Jobber
## Geoff Lancaster

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# Contents

# Case studies, scenarios and practical exercises

Different types of case studies can be used for different teaching situations. Generally they can be categorised as follows:

- *Scenarios* that are quite short and are usually factually based, quite often from newspaper articles. These are normally associated with a single theme and provide a useful medium for group discussion that might relate to the solving of a specific problem. There are a number of such scenarios that we have listed as practical exercises at the end of chapters throughout the text.

- *Mini-cases* are longer than scenarios and describe a particular situation that usually has some problem or issue associated with it. They tend to be loosely based on real-life situations or are simply 'manufactured' by the case writer, and they are based on a particular single issue or set of issues. The idea here is that they can form a practical element class-work, verbal or written, individual or group assignment from which lessons can be learned. Mini-cases also feature at the end of chapters throughout the text and these too we term practical exercises.

- *'Manufactured' case studies* are as the title implies, made up by the case writer, but they are normally based on factual circumstances, albeit very loosely. They are longer cases, usually containing a number of separate issues, and are deliberately written to raise a particular set of issues. They are useful in classroom situations for longer discussions, but can also be used as individual or group mini-projects for which a written and/or verbal presentation is required. These types of case studies feature at the end of chapters as practical exercises and they are useful as a medium for sales training.

- *'Factual' case studies* are, as the title implies, based upon real-life situations and they simply report the facts and issues as seen and then summarised by the case writer. Some cases are more complete than others and they tend to be compilations of newspaper articles, company reports and personal research that the case writer has gathered in relation to a specific organisation, although sometimes the organisation is disguised to hide its identity. In fact, a problem that most students cite when preparing their answers to such case studies is 'insufficient information'. Here, the ability to make assumptions prior to answering is very important. They tend to contain a lot of quantitative information from which analyses can be drawn. However, their ability to address specific problems is very patchy, as it depends upon the issues that the situation has thrown up, and also upon how many such issues the case writer has highlighted. As such they tend to be more useful for general strategically based situations than for specific issues. These types of case studies do not feature in this text, as they are more suited to business policy or marketing strategy texts.

# Handling case studies

Case studies can vary enormously as to what they require in the way of analysis, interpretation and tasks required of participants. They provide an opportunity for participants to make decisions and to base these decisions upon sound principles that have been learned, as well as reasoning behind such decisions, that the person who is running the session can then assess. The important thing with case studies is that there is rarely a totally correct or incorrect answer and much of it has to do with 'shades of opinion'. This can be a frustration because in typical learning situations, candidates are often seeking the 'correct' answer. In a case study situation there can be many different, yet equally good, solutions. It is indeed such differences of opinion that can form lively discussion during verbal group presentation sessions.

Case studies do not, of course, have to necessarily involve class discussion, as they can be used for assessment purposes through written individual reports. However, the specific strength of cases is in terms of group work. It enables different shades of opinion to be thrown on a particular situation by individual participants. Of course, much of the success of such a practical session is down to the skills of the facilitator, in keeping the discussion 'on track', and an individual ability to 'milk' a particular situation and then move on to the next scenario. It also rests in the ability of the tutor to weigh up and evaluate views and decisions that have been put forward in order that practical lessons can be learned.

## Benefits to participants of the case study approach

The approach afforded by using case studies has a number of benefits. Geoff Lancaster and Lester Massingham in their 2002 text: *Essentials of Marketing* (Fourth Edition) (McGraw-Hill) pages 455–477 have cited such benefits, some which have now been adapted and extended, and these are cited below:

1.  It uses real-life or manufactured business situations to work on, but without the risks associated with the real world.

2.  It applies a global view to a business setting. Often it is possible for individual members of the case study group to narrow down their responsibilities according to the particular case study scenario. They can perhaps put different views that would accord to individuals they represent (e.g. one might put the views of the sales manager and another might put the views of one of the field sales representatives). Members can thus be promoted to, or demoted from, positions they hold in their own real-life organisations to appropriate positions as reflected by the circumstances of the case. Furthermore, it could be argued that by doing this, candidates have the opportunity to broaden their experience.

3.  It creates personal detachment from the problem setting, thus enabling a more objective understanding to be achieved.

4.  It facilitates learning from complexity. In real life, business situations are rarely ordered or complete and managers must learn to cope with and understand the complexity of problem areas. Using the case method helps to develop an individual's capacity to tackle more complex business issues.

5.  Using different roles in the context of the case study scenario develops wider perspectives. Evaluating the position from a number of different viewpoints assists the building of the managerial quality of sound judgment.

6. Applying more of an in-depth analysis provides a strong information base from which decisions can be taken. Opportunities are created for applying new techniques in a 'safe' situation before using these in the real world.

7. Identifying and prioritising problems builds the powers of evaluation that are needed for rational decision-making.

8. It enables actionable decisions to be made by applying logic, facts, judgment and imagination, and in the case of verbal presentations, sound reasoning that must stand up to critical peer review and evaluation.

9. Designing strategic plans and the related controls stimulates creativity, which encourages individuals to experiment and to become conditioned to the dynamics of change.

10. Achieving group interaction to test out ideas and to learn from the experience of others helps the individual to develop interpersonal skills that are vital for success in sales, marketing and general business management.

11. Skills of analysis, application, creativity and written and oral presentation can be developed as can an awareness of participants' social skills.

## Participants' expectations

Many participants when faced with a case study are immediately concerned with what they are expected to do. Their first expectation is that it is must be a puzzle that has to be solved – otherwise what would be the point of having a case? They, therefore, expect that something is wrong with the company that they must then spot and go on to suggest correctional action.

The reason for this is because participants come from a classroom-based educational tradition that expects them to solve problems and answer questions. This also happens with mature managers who have never been near a classroom for more than twenty years. It is at this point that careful explanation is needed to clarify the purpose of the case study approach along the lines of the 11 points that have just been mentioned.

The main point that has to be put across to the participants is that there is no all-correct solution, and that different shades of opinion are possible as long as these are backed up with sound reasoning that is justified in a quantitative or qualitative manner. To this extent, a variety of alternative solutions can be equally valid and it is putting this point across to candidates that will test the skill of the trainer. However, you should still expect, after discussion has taken place, to be asked to answer a question along the lines of: 'What do you think is the correct solution'? This is quite normal because participants need the reassurance of knowing what an experienced trainer's answer would be.

Analysing case studies will differ according to the type of case study that is under consideration ranging from the simple scenario to the factual case study analysis mentioned earlier. In the case of the former it will probably be a matter of discussion among members of the group whilst in the case of the latter it will probably be a question of giving a full written report together with justified, and fully costed, strategic recommendations. These latter types of case study do not, of course, feature as far as this text is concerned.

# Suggestions for conducting case study sessions

It is suggested for the simpler scenario type cases that these be simply handed out, perhaps after a more formal presentation session that the tutor has conducted. Participants should then be asked, after they have had the opportunity to assimilate the content of the material, to discuss the problems within the setting implied by the scenario. In our experience, to give out the material beforehand in the expectation that it will be read and understood is generally a waste of time, because participants generally do not read it. Some will, and they will be 'up to speed' and able to participate immediately, whilst others will still be attempting to read the material. The psychology seems to be that only if there is an examination attached to a case study will delegates read it in detail beforehand. Scenarios are only short, so five minutes is all that it should take in terms of time for everybody to be able to assimilate the material, and a sensible discussion that will involve all participants on an equal basis can then follow. In any case, after a more formal tutoring presentation, it is quite often a good time to have a change of activity like reading. This reading activity can thus form the link between a formal presentation and group participation, so it is good teaching practice. It is even suggested that mini-cases be handled in a similar way, providing there is enough time in the course programme to allow some time for participants to read the material.

Longer more formal case studies of the manufactured or factual variety are a different problem. Here it would be more difficult for candidates to sit and formally assimilate the material, so there should usually be an expectation made of participants to have read the case and be prepared to discuss various scenarios or problem areas. It is, indeed, with this latter type of more complicated case analysis that the discussion now relates.

# Advice for participants

Delegates should first be asked to read through the case quickly and become familiar with the company, its markets, the characters and the issues. This might mean reading through the case rapidly a couple of times, and then re-reading certain sections in greater detail. At this stage, they should not necessarily make notes as they are simply considering the facts in the case. Typical things that they should be encouraged to look for are matters like the activities of the company, its competitors, its products or services and its customers.

The next stage should relate to what is termed the *situational analysis*. Like any problem-solving process, participants should be encouraged to break their analyses down into a number of discrete problem areas. The best way here is to start by asking participants to concentrate on the external macro-environment and then the internal environment of the company. They can thus build a data bank organised in a variety of ways according to the situations highlighted in the case.

At this stage, many candidates find it advantageous to look at the questions that have been set as problems so that they can bear this reference point in mind when attempting to apply personal knowledge relating to these situational analyses. The temptation to prepare solutions at this point should be resisted, as knowledge is incomplete and based more upon first impressions than upon well-considered solutions. As in real-life, true management decisions are better made after deliberating all of the possibilities, rather than on relying on first impressions.

## Suggested method for analysing cases

Many of the suggestions that are now made were first made by Geoff Lancaster and Lester Massingham in their 2001 text *Marketing Management* (Third Edition) (McGraw-Hill) pages 485–502. These ideas are summarised and adapted in terms of the type of material that should be considered by tutors when briefing delegates in relation to preparing their case study analyses. Some of these issues will not apply as it depends upon the nature of the problem that has been set in relation to the case study in question. In the main, the following structure is more appropriate to general strategic type analyses than it is to specific 'problem-solving' analyses.

1. **Reading and familiarisation** that has already been mentioned.

2. **Situational analysis** that has already been mentioned.

3. **Marketing audit**, which means listing all those factors that might impact on the company – from an external point of view under the headings: Political, Economic, Socio-cultural and Technological remembered through the acronym PEST. Sometimes this acronym is cited as SLEPT, of which the extra 'L' stands for 'Legal'. It has been further expanded to PESTLE, where the additional 'E' stands for 'Environmental'. More latterly, it has been expanded to STEEPLE, where yet one more 'E' stands for 'Ecological'. Clearly, the scenario within the case study will determine whether these extra headings are included. For a small case study, an analysis along the lines of PEST is adequate, but if, for instance, the case contains a lot of legal implications, then SLEPT might be better. From an internal point of view the audit should look at all internal factors including issues in different departments, the adequacy of manpower, the company's products or services and the company's marketing arrangements.

4   **A SWOT analysis** should then be attempted and this means a listing of internal company factors under the headings of Strengths and Weaknesses and external macro-environmental factors under Opportunities and Threats. This information can be used for making plans and suggestions later in the case analysis.

5   **Identifying and prioritising** major problems and opportunities and selection of the key issues. This is the bringing together of information from the marketing audit and the SWOT, so the first part of the analysis has now commenced.

6   **Specifying assumptions and identifying resource constraints** is the point at which detailed suggestions can commence, so this is really the precursor to the suggested plan.

7   **Generation and selection of alternative plans** is then needed so that all possibilities are considered and indeed alternative plans can always be adopted as contingency plans if the main plan does not proceed as anticipated when it is put into action.

8   **The plan itself.** This should be in a formalised planning structure similar to some of those that have been suggested as planning structures in the text. Such structures should be adapted to suit the circumstances of the particular case under review.

# Writing up case study analyses

Since most case studies are designed to test and develop managerial skills, so it is naturally expected that any written analyses should be in a formalised report structure. The structure of any report relating to a particular case study will, of course, depend upon the nature of the issues contained in the case. However, the following general framework should provide a useful set of guidelines to candidates in how to prepare and structure a case study report.

1. **Planning the report in draft format** should be the first stage and this should consider the purpose of the report, what is to be included and what is to be presented. Sectionalising the report will be useful at this stage, which will include the headings and sub-headings that will finally appear in the finished report.

2. Terms of reference should preface the report that should include such matters as the following:

   - to whom it is addressed (e.g. at the request of the sales director)

   - areas to be covered in the report (e.g. promotional mix, sales strategies)

   - the intended outcome of the report (e.g. to establish strategies or to make proposals)

   - any constraints or assumptions (e.g. within a budget of X per cent of total sales revenue or that the same sales team will be in place for the duration of the proposal)

3. **The proposal and recommendations**. Here it should be emphasised that reports are not essays, but concise statements that are written in clear unequivocal language. Proposals and recommendations are of prime interest in a report, so these should be highlighted towards the end of the report. Some people reading the report will also want to know how these recommendations were formulated so they should be based upon sound reasoning that will be contained earlier in the report. If such reasoning deals with statistical analyses, then if these are lengthy, they should be contained in appendices, with a suitable note in the report drawing the reader's attention to the appropriate appendix. The important thing to remember is to keep complicated issues out of the body of the report, but as they have to be addressed as 'evidence', then appendices are the most appropriate place for such detail.

4. **Presentation** is important in a report so each page should be well laid out. The use of white space, headings and sub-headings is crucial to create impact. It should be interesting and easy to understand and it should follow a logical sequence, leading the reader from one point to the next.

   There are no firm rules for structuring a report, and the important guidelines to note are those that have been mentioned in the last point. However, the following guideline is our suggestion for a good report format: *Title page* – title of report, to whom it is addressed, the date, the author's name, company, etc.

   *Terms of reference* – which should be entered as the first page in the report and as outlined in Point 2 above.

   *Contents list* – it is generally better to use a system of reporting as suggested below as it is more logical, but this is not to say that this is necessarily most appropriate for all circumstances. Note that at each sub-heading and sub-sub-heading there is an indentation, so text under this should be lined up appropriately on the left-hand side. It is possible to go further to, for example, 1.2.1.1, but it begins to get cumbersome, so at this juncture simple bullet points might be better.

1. Main heading

    1.1     Sub-heading

    1.2     Sub-heading

          1.2.1      Sub-sub-heading

          1.2.2      Sub-sub-heading

2. Main heading

    2.1     Sub-heading

    2.2     Sub-heading

    2.3     Sub-heading

          2.3.1      Sub-sub-heading

          2.3.2      Sub-sub-heading

                    • Bullet point 1

                    • Bullet point 2

                    • Bullet point 3 …………………. etc.

The contents list will simply reflect each of these main, sub- and sub-sub-headings together with their appropriate page number in the report.

***The main report*** – as already indicated, but ending up with recommendations for action.

***Bibliography*** – in Harvard style of notation. This is particularly appropriate if any references have been used directly when compiling the report.

***Appendices*** – again, as already indicated and these are useful in that by using appendices it does not interrupt the general flow of the argument.

***Summary*** – the main findings and recommendations are sometimes included and this might go at the end, or more usually between the title page and the terms of reference. This summary (called 'Executive Summary') often comes at the beginning of the report after the contents list, and as the term implies it is for the information of those executives who do not want to read and assimilate the detailed analyses and implications that the main body of the report has high-lighted.

# Solutions and guideline answers

The end-of-chapter scenarios and mini-cases that are referred to in the textbook are the ones that are cited at the end of each chapter. There now follows our suggestions as to how the questions following these practical exercises cases might be handled. For most of these scenarios we have also provided a synopsis of the case, teaching objectives and a suggested teaching approach. In other instances we have included our fully reported solution, and in others our suggested solution guidelines. Needless to say, our solutions can be improved upon and, indeed, alternative solutions might be equally viable or better. For your convenience, each case is reproduced here along with its end-of-chapter position in the textbook, followed by the guideline suggestions or solution.

# Mephisto Products Ltd

'Yet another poor year', reflected the senior executive of Mephisto Products. 'Profits down by 15 per cent, sales and turnover static in a market that was reckoned to be growing at a rate of some 20 per cent per annum. It cannot go on.' These were the thougwhts of Jim Bullins, and he contended that the company would be out of business if the next year turned out to be as bad.

Jim Bullins had been senior executive at Mephisto for the past three years. In each of these years, he had witnessed a decline in sales and profits. The company produced a range of technically sophisticated electromechanical control devices for industry. The major customers of Mephisto were in the chemical processing industry. The products were fitted to the customer's processing plant in order to provide safety and cut-out mechanisms, should anything untoward happen in the manufacturing process.

The products were sold through a UK salesforce of some twelve people. Each represented a different area of the country and all were technically qualified mechanical or electrical engineers. Although some 95 per cent of Mephisto's sales were to the chemical industry, there were many more applications for electromechanical control devices in a wide variety of industries.

The reason that sales were concentrated in just the one industry was historical, in that the firm's founder, James Watkinson, had some 30 years earlier married the daughter of the owner of a major detergent manufacturer. As an engineer, Watkinson had seen the potential for such devices in this type of manufacture and, with the aid of a small loan from his father-in-law, had commenced manufacture of such devices, initially for his father-in-law's company and later for wider application in the chemical industry. Watkinson had long since resigned from active participation in Mephisto Products, although he still held a financial interest. However the philosophy Watkinson had brought to the business was one that still pervaded business thinking at Mephisto.

The essence of this philosophy was centred on product and production excellence, backed by strong technical sales support. Watkinson had believed that if the product was right, i.e. well designed and manufactured to the highest level of quality, there would be a market. Needless to say, such a product then needed selling (because customers were not necessarily aware that they had a need for such safety mechanisms) and salespeople were encouraged to use what may be described as high-pressure salesmanship, pointing out the consequences of not having such mechanisms in a manufacturing plant. They therefore tended to emphasise the negative aspects (of not having such devices) rather than the positive aspects (of how good they were, time saving in the case of plant breakdown, etc.). Needless to say, in Watkinson's day, such products then needed selling and, even though sales were to industrial purchasers, it was felt that such selling techniques were justified. This philosophy still pertained, and new salespeople were urged to remember that, unless they were pressed, most customers would not consider updating their control equipment.

Little advertising and sales promotion was carried out by the company, although from time to time, when there was a little spare cash, the company did purchase advertising space in *The Chemical Processors' Quarterly*. Pricing was done on a cost-plus basis, with total costs being calculated and a fixed percentage added to account for profits. Prices were thus fixed by the

accounts department, and sales had no say in how they were established. This led to much dissent among the salespeople, who constantly argued that prices were not competitive and that if they were cut, sales could be increased substantially.

Delivery times were slow compared with the average in the industry, and there were few discounts for large-order quantities, with the salesperson first having to clear such discounts with accounts before agreeing to such an arrangement. Again, Watkinson's old philosophy still prevailed: 'If they want the product badly enough, they will wait for it', and 'Why offer discounts for large quantities – if they did not want that many they would not order them.'

During the previous five years, from being a relatively successful company, market share for Mephisto Products dropped substantially. The market became much more competitive with many new entrants, particularly from EU countries coming into the UK market, which had traditionally been supplied by UK manufacturers. Many of these new entrants had introduced new and updated products to the market, with such products drawing upon recent advances in electronics. These new products were seen by the market as being technically innovative, but the view taken by Mephisto management was that they were faddish and once the novelty had worn off, customers would come back to their superior products.

Unlike many of his colleagues, Jim Bullins was worried by developments over the past five years, and felt that there was a need for many changes. He was aware that the more successful new entrants to the industry had introduced a marketing philosophy into their operations. Compared with ten years ago in this type of business, it was now common practice for companies to appoint marketing managers. Furthermore, he knew from talking to other people in the industry that such companies considered sales to be an integral part of marketing. At a recent meeting with his senior staff, he mentioned to the sales manager the possibility of appointing a marketing director. The sales manager, who was shortly expecting to be made sales director, was scathing about the idea. His view was that marketing was suitable for a baked beans manufacturer but not for a company engaged in the manufacture and sale of sophisticated control devices for the chemicals industry. He argued that Mephisto's customers would not be swayed by superficial advertising and marketing ploys.

Although Jim Bullins always took heed of advice from his senior managers, recent sales figures had convinced him that the time had now come to make some changes. He would start, he decided, by appointing a marketing manager in the first instance. This person would have marketing experience and would come, most probably, from the chemical industry. The person appointed would have equal status to the sales manager, and ultimately either the new appointee or the existing sales manager would be promoted to the board of directors.

## DISCUSSION QUESTIONS

1. Criticise Mephisto Products' approach to sales and marketing.
2. Comment upon the following as they exist now at Mephisto Products:
   (a) marketing orientation;
   (b) the marketing mix;
   (c) the product life-cycle.

3.  What problems can you anticipate if Jim Bullins goes ahead and appoints a marketing manager?

4.  What general advice can you give to the company to make it more marketing orientated?

# Synopsis

The case describes a company that has not adapted to changing economic circumstances. The company has remained in a market that has not necessarily declined, but one that has witnessed more competition especially from EU countries. These new entrants have brought with them new products, whilst Mephisto's products have not been updated. The company is production orientated and this philosophy permeates thinking amongst their sales staff. A solution to this problem is seen to be the appointment of a new marketing manager.

# Teaching objectives

To analyse a case situation in terms of identifying its orientation in respect of it being either a production, sales or marketing focus and to analyse its marketing mix and product life-cycle issues. Change is suggested and how this change is to be managed must now be addressed.

# Suggested teaching approach and guideline solutions

## Question 1

The obvious point that should be brought out is that the company is very much production orientated. The syndrome of 'Build a better mousetrap and the world will beat a path to your door' is reflected in Watkinson's view of well-designed and manufactured products to the highest level of quality. However, in order to get this message across, sales orientation is needed in terms of emphasising the negative aspects of not updating control equipment.

In order to build relationships the company needs to establish trust and confidence at individual levels amongst its regular clients and in time, the necessity of these control devices will be apparent to the extent of it being 'second nature'. The devices should be marketed along the lines of satisfying modern day safety requirements rather that as individual control devices. There should be a move away from a contracts-based approach towards a safety solutions approach.

## Question 2

(a) As has been pointed out in Question 1, the company is production orientated. It does attempt to apply sales orientation using the 'fear' factor as a sales tactic, but it does avoid the bad excesses of true sales orientation – some of which are nothing more than confidence trickery. Marketing orientation is not part of their culture, although there is a hint in the case study that Jim Bullins might be amenable to the suggestion of applying marketing orientation.

(b) *Price* – with finance dictating cost-plus margins, the role of sales is one of order taking rather than any kind of proactive marketing; *Product* – a refusal to accept that new products

are making serious inroads into the marketplace and the fact that new products are based on new technology, which is obviously proving itself amongst customers. *Channels of distribution* are direct, which is not unusual for industrial products of this nature. Perhaps consideration might be given to the appointment of agents in addition to the direct salesforce – perhaps in other EU countries to counter EU inroads into the United Kingdom. *Promotion* is only done when there is spare cash available – again another pointer towards production orientation. It certainly does not form part of any concerted marketing approach to target customers. *Customers* seem to be canvassed on a contract-by-contract basis rather than attempting to build long-term sustainable relationships.

(c) This part of the question is essentially an extension of the product part of the discussion in part (b). The discussion here should revolve around the fact that Mephisto Products are in the late maturity or decline stages of the product life-cycle and this could be linked to a discussion on new product development issues.

## Question 3

There will obviously be problems for Jim Bullins in getting the idea of marketing accepted. Although Jim is the chief executive, the company seems to be still very much under the philosophical control of James Watkinson. Perhaps the finance department is the first function that has to be convinced in relation to market-based pricing, followed by production/research in terms of producing products that are suited to the modern marketplace. The facts speak for themselves and to have static turnover in a market that is growing at a rate of 20 per cent per annum is a serious situation.

## Question 4

There might also be problems for the new appointee if he or she is not a positive personality in gaining an acceptance for marketing philosophies and ideas. Clearly, a good communicator (of marketing ideas) and a persuasive personality are prime requirements.

## Question 5

This should be apparent from the foregoing questions and this question can probably wrap up any good ideas that have been brought out already. Typical advice that can be given is as follows:

- pricing to be market-based; not cost-based;

- consideration should be given to a new system of sales remuneration that encourages representatives to build up long-term relationships;

- product development has to be based upon marketing research data that reflects the requirements of customers, rather than only ideas from the research and development function;

- advertising has to be based upon the job to be done rather than simply upon what the company can afford to pay;

- agents to be considered for tackling the broader EU marketplace;

- working towards a more proactive involvement with customers, perhaps with a view to gaining an acceptance of the company's products at customers' product specification stages. Long-term relationships and a solutions-based approach rather than the contracts-based approach that exists at present should be encouraged.

# Telcontar

Telcontar, a leading supplier of software and services for real-time location-based solutions has announced the appointment in May 2002 of Graham Page as Managing Director Europe. Based in London, Page will be responsible for all European operations planned for the UK, Germany and other major countries. He will also be a member of the corporate executive management team, located in California, USA.

Telcontar provides software and integration services to providers of location-based applications including vehicle telematics systems, wired Internet solutions, wireless Internet and cell phone applications.

The location-based services supplied range from driving directions, real-time traffic data and maps. Telcontar's map management software and multi-dimensional spatial data access products allow location-based service providers to integrate digital maps with traditional database content drawn from multiple services. This provides fast accurate access to comprehensive map and data services.

Page has a strong background of general management including sales, marketing, implementation and support of application software throughout Europe. Previous roles include Vice President Europe at both Sherpa Corporation and ASK Computer Systems, and Managing Director at Numetrix. In each case Page was responsible for restructuring and building successful, profitable operations.

"The demand for location-based information is immense, and increasing all the time, particularly in the wireless and telematics sectors. Telcontar has the leading technology platform for providing these services." Page commented: "I am looking forward to setting up the European operation for Telcontar's products and services in what is going to be a fast moving and dynamic market. We already have several significant deals with high profile organisations in the pipeline, so watch this space!"

Telcontar is the provider of the premier software platform for location-based services. Telcontar's clients use its Drill Down Server (to offer their own customers such services as driving directions, real-time traffic information, and maps). Telcontar's services are also used by vehicular or personal emergency response call centres as well as for fleet tracking and dispatch. The company specialises in integrating digital maps with traditional database content drawn from multiple sources.

In March 2001, Telcontar secured $US23.5 m of second round funding from a consortium of companies led by Ford Motor Company.

Telcontar is privately owned and headquartered in San Jose, California with field offices in Los Angeles, Dallas and the United Kingdom. Telcontar® and Drill Down Server® are trademarks of Telcontar.

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## DISCUSSION QUESTIONS

1. Do you feel that Page's background in sales and marketing is the right kind of experience for this type of new venture? Might not a more technical background be more appropriate?

2. Page's immediate task is to recruit members of the sales team. Advise Page as to the type of salespersons he should be looking for.

## Synopsis

This mini–case study examines the recent setting up of a 'cutting edge' company that is engaged in software and integration services. On the face of it, the company has been successful and now includes Ford Motor Company as one of its clients. This is an American company that has now set up this subsidiary in the United Kingdom and has put a person with a successful marketing and sales background in charge of operations.

## Teaching objectives

1. The provision of a platform for discussion of issues relating to management of a company.

2. A platform for discussion relating to salesforce recruitment.

## Suggested teaching approach

### Question 1

Perhaps if the company was setting up with embryonic software products then a more technical person might be more appropriate. However, it seems as though such products are developed in the United States of America and then marketed through Telecontar in the United Kingdom. Page has already demonstrated a successful track record as he has been Vice President Europe at both Sherpa Corporation and ASK Computer Systems, and Managing Director at Numetrix. In each case he has been responsible for restructuring and building successful, profitable operations. It would seem, therefore, that given the circumstances surrounding the case, that Page's background is an appropriate one in this context.

### Question 2

Discussion here can relate to whether one appoints salespersons with product knowledge or with knowledge of sales technique. The best type of candidate would be one who demonstrates ability in relation to each. However, such an ideal salesperson is sometimes difficult to find. It is then a matter of asking whether it is easier to graft technical knowledge onto a good salesperson, or whether it is easier to give a technical person training in the sales technique. The latter might seem to be the easiest option, but here we come across the dilemma of 'good salespersons are born and not made' that many people subscribe to. In other words, it could be that because of a technical person's more scientific and exact mindset many sales opportunities might be missed, perhaps because of lack of lateral vision. Certainly, there is not an all-correct or all-wrong answer to this question and a lively debate should ensue.