

Ch02: Building Trust and Sales Ethics

True / False

1. In the context of buyer–seller relationships, if credibility is the concern, then the salesperson must demonstrate how his or her company can offer the best deals.

- a. True
- b. False

ANSWER: False

2. Relationship selling focuses on an organization's short-term marketing strategy.

- a. True
- b. False

ANSWER: False

3. In today's increasingly competitive marketplace, buyers are finding it more effective and efficient to do more business with a large number of suppliers.

- a. True
- b. False

ANSWER: False

4. Today's contemporary selling process is embedded within the relationship marketing paradigm.

- a. True
- b. False

ANSWER: True

5. A trustworthy salesperson understands doing "anything to get an order" will ultimately strengthen the buyer–seller relationship.

- a. True
- b. False

ANSWER: False

6. A customer-oriented salesperson covers both the pros and cons of a recommended product when making a sale to a customer.

- a. True
- b. False

ANSWER: True

7. A salesperson's knowledge is irrelevant in the process of earning the trust of a buyer.

- a. True
- b. False

ANSWER: False

8. Knowledge of a product's features is sufficient for a salesperson to describe the product to a customer.

- a. True
- b. False

ANSWER: False

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9. The ability to use promotion knowledge and price knowledge often makes the difference between a well-informed buyer who is ready to make a decision and another buyer who is reluctant to move the sales process forward.

- a. True
- b. False

ANSWER: True

10. Larger companies typically break their customers into distinct markets.

- a. True
- b. False

ANSWER: True

11. Information about customers is gathered by companies over time and from very different sources.

- a. True
- b. False

ANSWER: True

12. Salespeople who can offer better service than their competitors have an advantage for generating new business and taking away business from the competition.

- a. True
- b. False

ANSWER: True

13. The prices quoted and discounts offered by a salesperson do not legally bind a company to their completion.

- a. True
- b. False

ANSWER: False

14. A salesperson can learn how the entire marketplace uses his or her company's products more quickly than if he or she had to focus on only one line of business.

- a. True
- b. False

ANSWER: False

15. Using the Web to do an initial search on a company can tell a salesperson what products a company makes, what markets they serve, and so on.

- a. True
- b. False

ANSWER: True

16. Good salespeople must adjust their selling strategy depending on their competition.

- a. True
- b. False

ANSWER: True

17. Salespeople should always communicate using e-mail as it eliminates any possibility of misunderstanding.

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- a. True
- b. False

ANSWER: False

18. Salespeople should not use e-mail to send out mass communications to customers and prospects.

- a. True
- b. False

ANSWER: False

19. Salespeople can use Global Positioning System (GPS) technology to better serve their clients.

- a. True
- b. False

ANSWER: True

20. Salespeople are exposed to fewer ethical pressures than individuals in most other occupations.

- a. True
- b. False

ANSWER: False

Multiple Choice

21. Identify a true statement about trust.

- a. Trust in a buyer–seller relationship is always defined by the seller.
- b. Trust in a buyer–seller relationship is diminished by candor.
- c. Trust can mean different things to different people.
- d. Trust is unrelated to the concept of referral.
- e. Trust in any relationship constitutes of the same characteristics universally.

ANSWER: c

22. Buyers define trust with terms such as:

- a. honesty, guile, and precariousness.
- b. enablement, candor, and guile.
- c. candor, fairness, and confidentiality.
- d. predictability, infraction, and candor.
- e. security, honesty, and defraudment.

ANSWER: c

23. _____ refers to the quality of being free from danger.

- a. Resilience
- b. Candor
- c. Security
- d. Confidentiality
- e. Restraint

ANSWER: c

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24. Which of the following is an example of the violation of confidentiality in a buyer–seller relationship?
- a. Selling products through exaggerated claims
 - b. Using GPS to track salespeople
 - c. Not delivering services to clients as promised
 - d. Salespeople going around and telling one client what their other client is doing
 - e. Sharing information that was previously not shared in traditional selling

ANSWER: d

25. Identify an example of engaging in openness in a buyer–seller relationship.
- a. A seller reasoning with a client who is making unethical demands
 - b. A seller letting the buyer know about his sales quota
 - c. A seller not relying on the basis of the bargain to issue express warranties
 - d. A seller sharing information that was traditionally not shared
 - e. A seller addressing service issues on time

ANSWER: d

26. Which of the following is a practice in the relationship marketing paradigm that was not accepted in traditional selling?
- a. Creating express warranties
 - b. Withholding product information
 - c. Reviewing potential clients' income statements before doing business with them
 - d. A company's employees sharing manufacturing secrets with the company's suppliers
 - e. Implementing the hard-sell approach

ANSWER: d

27. Which of the following correctly reflects a research finding about the sales profession?
- a. Consultative tasks do not influence buyer perceptions, trust, and relationship loyalty.
 - b. Perceived ethical treatment is not related to trust in a salesperson and purchase intentions.
 - c. With the passing of years, the value of ethics in the sales profession has reduced substantially.
 - d. Little is known about what service behaviors salespeople can employ to satisfy and build trust with customers.
 - e. Salesforces all over the world are slowly shifting from the relationship marketing paradigm to customer-oriented behavior.

ANSWER: d

28. Research reveals that _____ play a vital role in influencing buyer perceptions and trust.
- a. deal-closing sales methods and implied warranties
 - b. consultative tasks and personal relationship behaviors
 - c. a transaction-oriented trust schema and service issues
 - d. traditional selling methods and profit orientation
 - e. purchase requisition and the hard-sell approach

ANSWER: b

29. In the context of a buyer–seller relationship, which of the following statements is true of trust?

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- a. The seller always defines trust in the relationship.
- b. It was more important in traditional selling than it is in today's relationship selling.
- c. A salesperson has to determine what trust means to each of his or her buyers.
- d. It is earned when a salesperson believes that a customer will make a purchase.
- e. It is unrelated to the concept of referral.

ANSWER: c

30. It is a salesperson's job to determine what trust attributes are critical to relationship building for a specific buyer. The salesperson does this by:

- a. questioning the buyer.
- b. using market research data from the Internet.
- c. consulting his or her managers.
- d. using the basis of the bargain.
- e. using his or her own instincts.

ANSWER: a

31. _____ are salespeople who are in a unique position to capitalize on building credibility with customers who place a high value on trust.

- a. Consultative salespeople
- b. Evasive salespeople
- c. Transactional salespeople
- d. Hard sellers
- e. Order takers

ANSWER: a

32. Which critical variable of trust in a salesperson does the question "Do you know what you are talking about?" most likely address?

- a. Expertise
- b. Candor
- c. Tenacity
- d. Resilience
- e. Compatibility

ANSWER: a

33. Which critical variable of trust in a salesperson does the question "Will you recommend what is best for me?" most likely address?

- a. Confidentiality
- b. Service resilience
- c. Customer orientation
- d. Security
- e. Predictability

ANSWER: c

34. Which critical variable of trust in a salesperson does the question "Can you and your company back up your

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promises?" most likely address?

- a. Customer orientation
- b. Likability
- c. Service resilience
- d. Dependability
- e. Compatibility

ANSWER: d

35. Which critical variable of trust in a salesperson does the question "Will you safeguard confidential information that I share with you?" most likely address?

- a. Candor
- b. Hospitality
- c. Service resilience
- d. Dependability
- e. Compatibility

ANSWER: d

36. Which of the following is true of traditional selling?

- a. It relied on integrative, win-win, and collaborative negotiation.
- b. It focused on maintaining long-term relationships.
- c. It emphasized offering customized products for limited buyers.
- d. It focused on closing the sale.
- e. It involved a high level of problem-solving activity.

ANSWER: d

37. Which of the following statements is true about relationship selling?

- a. It focuses on the immediate benefits gained from short-term relationships.
- b. It steers clear of the concept of mutual gain.
- c. It is based on the principle of "doing anything to get an order."
- d. It involves a high level of problem-solving activity.
- e. It focuses on closing the sale.

ANSWER: d

38. _____ refers to the ability, knowledge, and resources to meet customer expectations.

- a. Expertise
- b. Ethics
- c. Candor
- d. Compatibility
- e. Serviceability

ANSWER: a

39. Which of the following is true of young salespeople?

- a. They must go the extra mile to prove to their customers their dedication to service.
- b. They must attend a mandatory sales training program before they can be hired by a company.

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- c. They are usually not hired because companies believe that expertise cannot be trained or taught.
- d. They are usually better liked and trusted by customers because of the inherent openness they exhibit.
- e. They are not allowed to shadow more experienced salespeople.

ANSWER: a

40. _____ refers to something given to improve a situation or state for a buyer.

- a. Contribution
- b. Compatibility
- c. Enablement
- d. Restitution
- e. Serviceability

ANSWER: a

41. Salespeople who always do what they say they are going to do earn the trust of buyers because buyers perceive them as being:

- a. dependable.
- b. resilient.
- c. experienced.
- d. egocentric.
- e. knowledgeable.

ANSWER: a

42. Andrew is a sales representative for an industrial chemical supplier. He ensures that he is never late for appointments with his customers and always follows through on the promises he makes them. Given this information, it can be said that Andrew is:

- a. knowledgeable.
- b. extroverted.
- c. dependable.
- d. vulnerable.
- e. tactical.

ANSWER: c

43. _____ refers to a salesperson's behavior that can be foretold on the basis of observation or experience by a buyer.

- a. Candor
- b. Resilience
- c. Predictability
- d. Vulnerability
- e. Compatibility

ANSWER: c

44. Emma goes to her favorite clothing store to shop for clothes. She looks for a particular kind of trousers but cannot find them. Denver, the salesman in the store, tells her that the kind of trousers she is looking for is currently out of stock, but he assures her that he will inform her as soon as they are back in the store. Emma takes his word for it as Denver always delivers as he promises. In this scenario, Denver exhibits _____.

- a. candor

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- b. resilience
- c. predictability
- d. vulnerability
- e. compatibility

ANSWER: c

45. Honesty of the spoken word is called _____.

- a. candor
- b. clemency
- c. warranty
- d. brevity
- e. altruism

ANSWER: a

46. Susan is hired as salesperson in a jewelry store. Being new to the industry, she does not possess a great deal of knowledge about the products offered by the store. She is often asked questions by customers to which she does not know the answer. However, she always responds to them by saying, "I will check with my store manager and get back to you."

By being honest with her customers, Susan exhibits:

- a. clemency.
- b. resilience.
- c. predictability.
- d. candor.
- e. expertise.

ANSWER: d

47. Jennifer is a salesperson for a business insurance company. She informs her customers about new company policies that are likely to affect them despite the risk of losing them. In this scenario, Jennifer exhibits _____.

- a. profit-oriented behavior
- b. resilient behavior
- c. relational behavior
- d. customer-oriented behavior
- e. covert behavior

ANSWER: d

48. A salesperson's commonalities with other individuals is known as _____.

- a. compatibility
- b. amicability
- c. predictability
- d. candor
- e. resilience

ANSWER: a

49. Phil is a salesman in a grocery store in Bronshire, a state in the United States. His customers are primarily long-term residents of the state. Phil frequently interacts with them and is liked by most of the people who visit the store. The customers feel comfortable explaining to Phil exactly what products they need. In this scenario, Phil exhibits _____.

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- a. compatibility
- b. expertise
- c. resilience
- d. candor
- e. confidentiality

ANSWER: a

50. Ravi is a sales representative at a sports equipment company. He has a keen interest in tennis and often organizes matches with some of his customers on weekends. By doing so, he has befriended a number of his clients. Given this information, it is evident that Ravi prioritizes _____ in the buyer–seller relationship.

- a. compatibility
- b. confidentiality
- c. clemency
- d. candor
- e. resilience

ANSWER: a

51. Robert is a young college graduate who is looking for a sales job in the pharmaceutical business. To better his chances of being selected by employers, he decides to enhance his knowledge of the latest medications in the market. In this scenario, it is evident that Robert is trying to enhance his _____.

- a. industry knowledge
- b. customer orientation
- c. promotion knowledge
- d. service resilience
- e. technology knowledge

ANSWER: a

52. Nora, a salesperson who works for Fifth Leaf Fashions, informs her customers that they can return garments within 30 days of purchase for cash. However, the Fifth Leaf Fashion's return policy states that customers may only exchange garments for other garments and not for cash. In this scenario, it is evident that Nora needs to improve her _____.

- a. industry knowledge
- b. company knowledge
- c. product knowledge
- d. promotion knowledge
- e. price knowledge

ANSWER: b

53. A salesperson should be familiar with his or her company's key personnel. This helps:

- a. determine the company's human resources policies.
- b. build team spirit when the salesperson needs help in meeting a customer's needs.
- c. prevent the stereotyping of salespeople.
- d. adopt traditional methods of selling goods and services.
- e. minimize the chances of the salesperson engaging in illegal behavior.

ANSWER: b

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54. A salesperson must know what his or her commodity can and cannot do. For this, the salesperson must have sound _____.

- a. promotion knowledge
- b. industry knowledge
- c. product knowledge
- d. inventory knowledge
- e. market knowledge

ANSWER: c

55. Which of the following questions must a salesperson be able to answer in order to demonstrate that he or she has product knowledge?

- a. Who are the major competitors in the market?
- b. Who is responsible for delivering goods to a customer?
- c. What materials are used when making the goods?
- d. When is it most appropriate to follow-up with a customer?
- e. What is the company's market share for a particular commodity?

ANSWER: c

56. Josie, a sales professional for a company that manufactures kitchen appliances, is consistently rated by customers as the best salesperson because she has a detailed understanding of all the appliances manufactured by the company, including how they work and how they are made. Given this information, it is evident that Josie possesses sound _____.

- a. propositional knowledge
- b. promotion knowledge
- c. market knowledge
- d. inventory knowledge
- e. product knowledge

ANSWER: a

57. A salesperson who is ready to answer the question "Does the company repair and maintain its sold products or does the company send them to a third party?" can effectively solve _____.

- a. administrative issues
- b. market regulation issues
- c. management issues
- d. service issues
- e. promotional issues

ANSWER: d

58. A salesperson's service mission is to:

- a. convince customers to make a purchase at any cost.
- b. give fewer express warranties.
- c. maximize the number of sales.
- d. provide added value for customers.
- e. practice the hard-sell approach.

ANSWER: d

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59. It is important for a salesperson to understand what service dimensions concern the buyer. Which of the following service dimensions does the question "Do we send a team to your site for start-up?" address?

- a. Delivery
- b. Inventory
- c. Training
- d. Installation
- e. Warranty

ANSWER: d

60. _____ is a knowledge tool that salespeople must possess to explain their firms' advertising programs.

- a. Promotion knowledge
- b. Service knowledge
- c. Propositional knowledge
- d. Tacit knowledge
- e. Competition knowledge

ANSWER: a

61. Rita has recently been hired as a sales representative at a grocery store. As part of her training, her store manager asks her to memorize the seasonal discounts offered by the store. In this scenario, the store manager wants Rita to enhance her _____.

- a. promotion knowledge
- b. market knowledge
- c. industry knowledge
- d. inventory knowledge
- e. propositional knowledge

ANSWER: a

62. _____ is a knowledge tool salespeople must have in order to quote rates and offer discounts on products.

- a. Price knowledge
- b. Inventory knowledge
- c. Propositional knowledge
- d. Market knowledge
- e. Product knowledge

ANSWER: a

63. Which of the following knowledge tools must a salesperson use to answer the question "Can the salesperson give additional discounts to get a potential client whom the company has been after for years?"

- a. Price knowledge
- b. Inventory knowledge
- c. Technology knowledge
- d. Market knowledge
- e. Product knowledge

ANSWER: a

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64. _____ refers to information salespeople must have if larger companies break their customers into distinct segments
- a. Product knowledge
 - b. Price knowledge
 - c. Technology knowledge
 - d. Promotion knowledge
 - e. Market knowledge

ANSWER: a

65. Milton is the sales manager of a cosmetics company that offers a wide range of face creams, lipsticks, and eye makeup. Some of the company's products are sold to wholesalers and distributors, while others are sold directly to individual buyers. Milton decides to divide the company's vast customer base into distinct segments so that the company's salespeople can target each segment more effectively. To carry out this process, it is necessary for Milton to possess sound _____.

- a. product knowledge
- b. inventory knowledge
- c. competitor knowledge
- d. promotion knowledge
- e. market knowledge

ANSWER: a

66. Larger companies typically break their customers into distinct markets. Which of the following statements is true of this sales strategy?

- a. It involves following a common marketing strategy for all customers.
- b. It results in an overall decrease in customer satisfaction.
- c. It creates more gaps between a salesperson and his customer base.
- d. It allows a salesperson to become an expert in a line of business.
- e. It lets a company maintain better inventory control.

ANSWER: d

67. _____ is defined as information about buyers that is gathered over time and from very different sources that helps the salesperson determine buyer needs to better serve them.

- a. Competitor knowledge
- b. Product knowledge
- c. Customer knowledge
- d. Industry knowledge
- e. Promotion knowledge

ANSWER: c

68. Tony has recently been hired as a salesperson by a logistics company. The company divides its clients into different markets based on the requirements of each market. Tony has been asked to work exclusively with emerging entrepreneurs. To understand his clients' purchasing behavior and build long-term relationships with them, Tony has to improve his _____.

- a. propositional knowledge
- b. inventory knowledge
- c. customer knowledge

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- d. technology knowledge
- e. promotion knowledge

ANSWER: c

69. "Why should I use your product over the one I am currently using?" is the ultimate question a buyer asks. A salesperson must have _____ to answer this question.

- a. inventory knowledge
- b. promotion knowledge
- c. customer knowledge
- d. competitive knowledge
- e. policy knowledge

ANSWER: d

70. _____ refers to information salespeople must have about the latest applied sciences.

- a. Embedded knowledge
- b. Technology knowledge
- c. Process knowledge
- d. Market knowledge
- e. Inventory knowledge

ANSWER: b

71. In the context of buyer–seller communication, which of the following is probably the most oversold form of technology?

- a. Expert systems
- b. Voice mails
- c. Pagers
- d. Fax machines
- e. Intranets

ANSWER: b

72. Global Positioning Systems (GPSes) help:

- a. sales organizations acquire industry knowledge.
- b. buyers place price updates on the Web for customers to access.
- c. transmit non-electronic documents 24 hours a day.
- d. salespeople plan their routes effectively.
- e. buyers and sellers communicate virtually.

ANSWER: d

73. Companies use Global Positioning System (GPS) tracking systems to track their salesforce because:

- a. salespeople, in general, cannot be trusted with handling company profits.
- b. it is mandatory for logistics companies to know where their employees are at all times.
- c. salespeople prefer joining companies that use GPS.
- d. it improves salesforce effectiveness and minimizes costs.

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e. it is impossible to reach out to customers without using such technology.

ANSWER: d

74. _____ refers to the knowledge of a rival company's strengths and weaknesses in the market.

- a. Propositional knowledge
- b. Promotion knowledge
- c. Customer knowledge
- d. Competitor knowledge
- e. Inventory knowledge

ANSWER: d

75. "How do your company's prices compare with others in your industry?" is a question that requires a salesperson to use his or her _____.

- a. inventory knowledge
- b. promotion knowledge
- c. market knowledge
- d. competitor knowledge
- e. policy knowledge

ANSWER: d

76. Comparisons of the products of a company's competitors for a customer's buying decisions are critical, especially when the company:

- a. practices traditional selling methods.
- b. has customers who have been loyal for a long time.
- c. possesses features and benefits that are superior to those of the competition.
- d. lacks up-to-date technology and has outdated manufacturing processes.
- e. is newer than the competition and has less relevant experience.

ANSWER: c

77. Which of the following technologies allows non-electronic documents to be transmitted 24 hours a day?

- a. A mimeograph
- b. A facsimile
- c. A voice mail
- d. A barcode scanner
- e. A conveyor system

ANSWER: b

78. Identify an advantage of salespeople using e-mail to communicate with buyers.

- a. E-mails are universally accepted as a more formal form of communication than office visits.
- b. Mass communications can be sent out to all customers and prospects.
- c. E-mail technology is the safest platform for virtual communication.
- d. There is no scope for misunderstandings between buyers and sellers.
- e. E-mails are the only way for buyers and sellers to have immediate contact with each other.

ANSWER: b

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79. _____ refers to the right and wrong conduct of individuals and the institutions of which they are a part.

- a. Conscience
- b. Ethics
- c. Aesthetics
- d. Jurisprudence
- e. Apathy

ANSWER: b

80. Which of the following statements is true of ethical standards?

- a. Ethical standards are not influenced by a person's code of conduct.
- b. Ethical standards for a profession are based on society's standards.
- c. Ethical standards are the same as legal standards in all organizational aspects.
- d. Ethical standards do not affect the public regard of professions.
- e. Ethical standards have not yet been completely integrated into the sales profession.

ANSWER: b

81. Which of the following is true of Sales and Marketing Executives International (SMEI)?

- a. Those who attain an SMEI certification should consider its principles as mere rules to follow.
- b. It is concerned with the image of salespeople.
- c. SMEI programs are designed primarily to protect salespeople from unethical employment practices.
- d. It is an organization that fights for the employment rights of salespeople.
- e. It has developed a 1- to 2-month certification process for the professional conduct of salespeople.

ANSWER: b

82. Salespeople are often stereotyped as pushy, shifty, and untrustworthy because:

- a. they tend to be overly professional in their approach.
- b. traditional selling methods are common even today.
- c. the sales profession does not follow a standard code of conduct.
- d. the sales profession requires them to be shrewd and manipulative.
- e. in the past, the popular press portrayed them in this way.

ANSWER: e

83. Which of the following is one of the ways in which television programs, movies, and the press during the 1960s and 1970s affected the sales profession?

- a. They portrayed the profession as reputable.
- b. They contributed to boosting the sale of products.
- c. They helped curb unethical sales practices.
- d. They helped it become a mainstream profession.
- e. They fostered a negative image of salespeople.

ANSWER: a

84. When faced with quota pressure, a salesperson with customer orientation would most likely:

- a. overstate the benefits of the recommended product.

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- b. avoid issuing express warranties.
- c. practice the hard-sell approach.
- d. engage in fast talking.
- e. explain the cons of the recommended product.

ANSWER: a

85. In the context of buyer–seller interactions, which of the following is an excuse commonly used by some salespeople to engage in deceptive behavior?

- a. Faulty products sold by the company
- b. The buyer's bad conduct
- c. Lack of job satisfaction
- d. The pressure of meeting the sales quota
- e. Their professional predisposition to being deceptive

ANSWER: d

86. Jim, an inexperienced salesperson, informs one of his potential customers that the laptop he is selling has a much faster processing speed than the competitor's laptop despite being aware that this is not true. The customer, however, remains unconvinced and does not make the purchase. Jim's behavior is considered unethical because he:

- a. fails to be perceived as an expert by the customer.
- b. fails to practice the hard-sell approach.
- c. is unable to convince the customer to make a purchase.
- d. exaggerates the benefits of his product.
- e. is unable to meet his sales quota.

ANSWER: d

87. Which of the following would be considered an illegal activity in the sales profession?

- a. Engaging in fast talking
- b. Withholding information
- c. Using the hard-sell approach
- d. Misusing company assets
- e. Exaggerating product benefits

ANSWER: d

88. In the context of activities that are considered illegal in the sales profession, some violations of company property constitute violations of the _____ and are offenses that could lead to jail or heavy fines.

- a. Sales and Marketing Executives International Code of Ethics
- b. practices of the hard-sell approach
- c. Securities and Exchange Commission regulations
- d. Internal Revenue Service regulations
- e. standards of customer-oriented behavior

ANSWER: d

89. _____ is an example of an illegal activity in the sales profession.

- a. Engaging in fast talking

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- b. Withholding information
- c. Hard sell
- d. Bribery
- e. Exaggeration

ANSWER: d

90. Salespeople can create product liabilities for a company in three ways. These ways include:

- a. coercion, promotion, and sales presentation.
- b. sales quota, fast talking, and shifty behavior.
- c. ethical behavior, assertiveness, and security.
- d. express warranty, misrepresentation, and negligence.
- e. discounts, pricing policy, and quality assurance.

ANSWER: d

91. _____ are created by any affirmation of fact or promise, any description, or any sample or model that a salesperson uses, which is made part of the basis of the bargain.

- a. No-bid contracts
- b. Product keys
- c. Open-source licenses
- d. Express warranties
- e. Contracts of adhesion

ANSWER: d

92. The term _____ refers to false claim(s) made by a salesperson.

- a. sales quota
- b. proposition
- c. ultimatum
- d. misinterpretation
- e. evasion

ANSWER: d

93. _____ refers to false claim(s) made by a salesperson about the product or service he or she is trying to sell.

- a. Ultimatum
- b. Libel
- c. Slander
- d. Negligence
- e. Evasion

ANSWER: d

94. In the context of buyer–seller relationships, _____ is taken to mean that the buyer relied on the seller's statements in making the purchase decision.

- a. unconscionable dealing
- b. basis of the bargain
- c. a factual basis

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- d. undue influence
- e. a contract of adhesion

ANSWER: b

95. Kenneth goes to an electronics store to buy a television for himself. At the store, the salesperson shows him a flat-screen television and claims that it is currently the best high-definition television in the market. He also claims that the product is designed to reduce strain on the eyes. Kenneth purchases the television based on the salesperson's claims. Which of the following concepts does this scenario best represent?

- a. Unconscionable dealing
- b. The basis of the bargain
- c. Cold calling
- d. Partnership selling
- e. A contract of adhesion

ANSWER: b

96. Which of the following statements is true about the claims made by a seller about his or her products?

- a. The burden of accuracy of the claims made by the seller is on the management.
- b. Salespeople are required by law to exercise reasonable care in formulating claims.
- c. Misrepresentation of product benefits cannot lead to product liability if the seller makes a false claim thinking it is true.
- d. A seller cannot be legally held for unintentionally making false claims or not delivering on his or her claims.
- e. A seller is not allowed to use his or her discretion in making claims.

ANSWER: b

97. If a salesperson does not exercise "reasonable care" in formulating product claims to a customer, he or she is guilty of _____.

- a. candor
- b. negligence
- c. breach of confidentiality
- d. illicit behavior
- e. notoriety

ANSWER: b

98. Which of the following is an example of non-customer-oriented behavior?

- a. Exhibiting candor in sales presentations
- b. Fast talking
- c. Evading quota pressure
- d. Fidgeting
- e. Misusing company assets

ANSWER: b

99. In the context of sales ethics, which of the following is true of an expense account?

- a. It abets unethical behavior within a sales organization.
- b. It is an important training area in the sales profession.

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- c. Companies do not cover the use of expense accounts in training programs that deal with sales ethics.
- d. It is mandatory for all companies to allow personal mileage to be included in the expense account.
- e. Expense account forms are filled out by first-level managers and not by salespeople.

ANSWER: b

100. Sometimes, in a buyer–seller relationship, unethical behavior is not initiated by the salesperson but by the buyer. Which of the following is an example of buyers engaging in unethical behavior?

- a. Asking the salesperson to elaborate on the features of other similar products sold in the market, especially those of a rival company
- b. Asking the salesperson to move him or her up on the order list in exchange for more business in the future
- c. Asking the selling organization to focus on creating more product liability
- d. Asking for more discounts on products than what has already been offered
- e. Asking the salesperson about the service facilities offered by the seller before purchasing the product

ANSWER: b