

SELLING AND SALES MANAGEMENT

AUG 2022

MOCK EXAMS

Time: 9:00 PM – 12:00 PM

Date: NOVEMBER 12th, 2022

Three hours duration

The Mock will be 3 hours in duration

The mock has **TWO** Parts.

Task 1 is worth **40%** of the total marks available

Task 2 is worth **60%** of the total marks available.

You are required to give your answers in the GSM answer booklet provided. Do not repeat the task in your answer, but show clearly the number of the task attempted on the appropriate pages of the answer book. Please start each task on a new page.

Rough work and notes **must** be written in the answer book or on supplementary sheets and **must** be clearly identified.

Part A - QUESTION 1 (Compulsory)

CONSUMER ORIENTATION

Company

247 Inc., founded in 2013, is a high-technology products company. The company specialises in making electronic measuring devices for process control, communication and instrumentation industries. It is largely an owner-managed company. The President of the company, who himself is an inventor, has raised enough capital to finance expanding operations.

The company's R&D has made several innovative changes to give 247 Inc an excellent reputation in the industry.

The business growth, however, came because of 247's new technical advance. The company essentially responded to the customer demand. In 2015, several other companies entered the field with similar products. One of them, 100 per cent subsidiary of a major multinational oil company, was especially aggressive in marketing the devices. It had invested in automatic production line and beat the prices of 247 in the marketplace acquiring a considerable market share within two years.

In 2018, it was estimated that 247 and its major competitor each held 30 per cent market, while 10 smaller companies had the rest of the market. Recently, it was rumoured that Nigeria had come up with a major technological breakthrough that would lower the prices of the electronic measuring devices to half.

Marketing Concept

The Executive Vice President of the company was alarmed by the recent trends in the marketplace. In spite of the number of competitors, he was confident that the technological capabilities of 247 would enable it to maintain the necessary edge to continue the growth at 30 and 40 per cent each year. He was also convinced that his current Sales Department was incapable of "marketing" the products as aggressively as the competitors. There was virtually no market analysis, product-planning was uncoordinated and market intelligence was poor.

He made several recommendations to the President of the company.

1. The Director of sales be given early retirement or should be reassigned to a staff function.

2. The Sales Department should be replaced by a full-fledged Marketing Department, composed of four divisions: Sales, Technical Services, Marketing Planning, and Product Management.
3. Marketing Planning should survey the market constantly, recommend innovation and Nature and Scope of Sales Management coordinate long-range planning.
4. Technical Services should assist Engineering Department in new product development and render technical support to sales.
5. Product Managers should monitor their products and competitors' introductions, look for increased penetration of old products, and foster market growth with new products.

To implement the recommendations, 247 hired a new Director of Marketing, who interviewed all the personnel in the Sales Department and found that Sales Managers ran independent operations, making their own pricing decision in many cases. They constantly came up to the Vice President for reducing price levels complaining that prices were high. The exceptional low-price approval became more of a norm. The advertising budget was one per cent of sales. Most of the budget was spent on advertising aimed at enhancing the corporate image in various trade magazines. The company offered numerous products with almost no standardisations. Every order required special design and production considerations. Sales Managers insisted on a broad product line to keep customers satisfied. The competitors, on the other hand, had rationalised their production line offered only a few standard products.

QUESTIONS

- a. The new Director of Marketing is thinking of ways to revise the territories 247 operates in. Recommend and explain to him **FIVE (5)** factors he should consider before doing. **(15 Marks)**
- b. At a management meeting, it was resolved that staff be highly motivated to turn the tide at 247 Inc. There is a high belief that staff could be motivated only to become demotivated. Your advice is needed in recommending **FIVE (5)** results that could be achieved if staff are highly motivated **(15 Marks)**
- c. Management is looking to revise the approach to selling. Explain to them **FOUR (4)** characteristics of modern selling. **(10 Marks)**

(Total 40 marks)

PART B – Answer THREE Questions Only

QUESTION 2

Explain, in a context of a chocolate manufacturing company:

- (i) Explain FIVE reasons why it is important for a sales representative of a chocolate sweet company to carry out an environmental audit of a territory **(10 marks)**
- (ii) Explain five reasons why this chocolate sweet company should hold a customer database. **(10 marks)**

(Total 20 mark

QUESTION 3

In your role as a Sales Officer of a retail business, the Head of Retail has asked you to do a presentation to the salesforce on your morning meetings on:

- (i) **five** proven techniques for overcoming objections. You are to send a memo to him on the content of your presentation.

(20 marks)

QUESTION 4

The essence of sales and marketing revolves around identifying and satisfying customer needs and wants. Therefore, understanding the individual consumer and organisational buying behaviour and the factors influencing them are prerequisites for any successful selling.

In your role as Sales Manager of your organisation, your Director of Sales and Marketing has asked you to submit a report to identify and explain **FIVE (5)** factors that influence Consumer Buying Behaviour. **(20 marks)**

QUESTION 5

While there are many similarities between selling of tangible and intangible products, there are also some important differences. You are a sales supervisor of a retail branch of a service organisation of your choice.

Your Sales Manager has asked you to brief the sales team on **FIVE (5)** characteristics of services and its implication for selling during your weekly morning meetings. He has, however, asked you to send him a report on the content of your presentation before the delivery. **(20 marks)**

QUESTION 6

As the Sales officer of ABC Consult, your Managing Director has asked you to run a workshop for a group of Sales Managers of your client's company.

- a) You should explain the **THREE (3)** essence of evaluating salesforce performance (6 Marks)
- b) Identify and explain **THREE (3)** types of budgeting that the company could use

(6 marks)

- c) Mention and explain **TWO (2)** quantitative and **TWO (2)** qualitative salesforce performance measures that the company can use in the assessment of its salespeople. **(8 Marks)**

