



PAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY

FACULTY OF MANAGEMENT SCIENCES

DEPARTMENT OF MARKETING AND LOGISTICS

QUALIFICATION: BACHELOR OF MARKETING	
QUALIFICATION CODE: 07MARB	LEVEL: 6
COURSE CODE: SOT612S	COURSE NAME: SALES AND OPERATIONS MANAGEMENT
SESSION: JANUARY 2020	PAPER: THEORY
DURATION: 3 HOURS	MARKS: 100
SECOND OPPORTUNITY EXAMINATION QUESTION PAPER	
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MODERATOR:	MS. E. SEMENTE
INSTRUCTIONS	
1. Answer ALL the questions. 2. Write clearly and neatly. 3. Use the tables provided on [page 9 and 10] to answer Section A, Question One (1) AND Question Two (2) respectively: Detach and insert it into your answer booklet.	

THIS QUESTION PAPER CONSISTS OF 10 PAGES (Including this front page)

SECTION A

Question 1

Multiple choice questions

Choose the correct answer and use the table provided on [page 8] by ticking the correct option [X or √] to answer these questions, detach and insert it into your answer booklet. 1.5 marks will be awarded for each correct answer. **[20 x 1.5= 30 Marks]**

1.1 Forecasting sales is an iterative process involving the sales forecast and:

- A. Marketing expenditures.
- B. Market potential.
- C. Production expenditures.
- D. Accounting.
- E. Sales potential.

1.2 Changes in planned marketing expenditures have an effect on which of the following:

- A. Sales forecasts.
- B. Sales potential.
- C. Sales budgets and sales forecasts.
- D. None of these.
- E. All of these.

1.3 A total evaluation program in marketing is best described as:

- A. The marketing concept.
- B. A marketing audit.
- C. The management process.
- D. Marketing.
- E. Management of the sales force.

1.4 In the management process, a marketing audit is most closely associated with the management function of:

- A. Evaluation.
- B. Planning.
- C. Organizing.
- D. Staffing.
- E. Motivating.

1.5 The evaluation activity takes on a fuller, richer meaning if we think of this activity in terms of the evaluation and _____ of individual salespeople.

- A. Reorganizing.
- B. Criticizing.
- C. Development.
- D. Selection.
- E. Compensation.

1.6 Which of the following is least likely to be an objective of a sales force performance evaluation?

- A. To increase sales quotas assigned to the sales force.
- B. To raise sales force morale.
- C. To aid in sales supervision activities.
- D. To help salespeople discover their own strengths and weaknesses.
- E. To help in determining pay increases for salespeople.

1.7 Consultative salespeople:

- A. Focus generating new accounts.
- B. Seldom take orders.
- C. Are a type of sales support salesperson.
- D. Are creative, problem-solvers.
- E. All of these.

1.8 Regarding the goals of an organization:

- A. Sales goals should not be stated in writing, because this limits a sales manager's flexibility.
- B. Management should avoid setting broad goals, because they usually are vague.
- C. Policy decisions by sales executives should be compatible with sales department goals.
- D. Management by objectives is a useful concept, but it does not have much practical value in sales force management.
- E. None of these is correct.

1.9. A trial close is most similar to:

- A. A special offer close
- B. A canned sales talk
- C. A procrastinating objection.
- D. A hot prospect.
- E. A confirmatory question.

1.10 An informal organization:

- A. Would not exist in a well-run firm.
- B. Is not practical or realistic in today's business system.
- C. Slows down business activities and reduces efficiency.
- D. Is not likely to be found in a decentralized organization.
- E. None of these is correct.

1.11 According to Sales and Operations Management, the most difficult part of the sales force selection function is:

- A. Determining how many salespeople are needed.
- B. Preparing a job description.
- C. Deciding on which recruiting sources to use.
- D. Determining the qualifications needed to fill the job.
- E. Developing a guided interview form.

1.12 With regard to the types of interviews:

- A. Behavior-based interviews are best at predicting sales success.
- B. Situation-based interviews pose questions about behaviors in future situations.
- C. Behavior and situation based interviews are highly unstructured.
- D. Performance based interviews are interviews conducted by senior salespeople in the field.
- E. None of these is correct.

1.13 An ideal way to measure the success of a new product features-and-function training tutorial session would be to have:

- A. Written test at the end of the training session
- B. Written test two weeks after the training session
- C. Role plays at end of session
- D. Role plays two weeks after the session
- E. A satisfaction survey at the end of the session

1.14 When salespeople attribute their failure to their "lack of ability," they are likely to do one or more of the following except:

- A. Increase effort.
- B. Seek help.
- C. Avoid the situation.
- D. Get additional training
- E. They are likely to do all of these.

1.15 When salespeople attribute their failure to "bad luck," they are likely to do which one of the following:

- A. Seek help
- B. Change strategy
- C. Increase effort
- D. Avoid the situation
- E. They are likely to do All of these.

1.16 A sales representative's demographics may be illustrated by each of the following characteristics except:

- A. Family size.
- B. Education.
- C. Income.
- D. Age.
- E. Experience.

1.17 Management controls its sales force through the:

- A. compensation plan.
- B. quota system.
- C. territorial structure.
- D. training program.
- E. All of these.

1.18 Which of the following ordinarily is the least controversial sales force travel and business expense, from the company's standpoint?

- A. Personal telephone calls to home.
- B. Rental cars for calls on out-of-town customers.
- C. Laundry.
- D. Gasoline for personal use of company car.
- E. Gifts for customers.

1.19 Regarding the different types of sales quotas, it is correct to say that:

- A. Sales-volume quotas usually encourage the sales of high margin products.
- B. Selling expense quotas are good when a firm wants to develop new markets
- C. Combination quota plans typically have the advantage of being simple to compute.
- D. Volume quotas are better than activity quotas when a company wants to develop good relations with customers.
- E. None of these is correct.

1.20 The unavailability of which of the following will create the greatest difficulty in accurately setting a sales volume quota?

- A. Past sales records.
- B. Accurate estimates of sales potentials.
- C. A good compensation plan.
- D. A detailed sales budget.
- E. A well designed territorial system.

Question 2

True or False Questions

Use the table provided on [page 8] by ticking the correct option [X or √] to answer these questions, detach and insert it into your answer booklet. 1 mark will be awarded for each correct answer.

[20 x 1 = 20 Marks]

- 2.1. Salespeople most commonly sell products that are pure goods (i.e., with no service component).
- 2.2 With respect to a company's complete marketing system, the physical environment is a macro environmental force that includes inventions, innovations, and advances in scientific knowledge.
- 2.3 Networking by the salesperson accounts for nearly two-thirds of sales leads.
- 2.4 A sales organization should be built around activities, not around people.
- 2.5. The sales force selection process should be easier in the 2000s because there is a much greater supply of qualified applicants than has been available in the past.
- 2.6 Validation is a process used to insure that the criteria used in selection decisions are a predictor
- 2.7 A job description spells out the working relationships that surround each sales position.
- 2.8 Intrinsic rewards are provided by others.

- 2.9 Once a need is satisfied, it may become unfulfilled again.
- 2.10 Sales Managers often do not know whether salespeople value one incentive versus another.
- 2.11 Customer satisfaction measures are commonly used as a factor in compensation determination.
- 2.12 Companies only develop one standardized compensation plan for their salespeople.
- 2.13 Sales quotas/targets are usually established for a time period of a year.
- 2.14 Sales Quotas are not typically related to the sales budget.
- 2.15 A high rate of cancellation of orders in a territory might indicate that the representative was using high-pressure selling tactics.
- 2.16 There are objective ways for measuring the sales representative skills at opening new accounts.
- 2.17 A sales volume analysis plus a marketing cost analysis constitute a marketing profitability analysis.
- 2.18 A sales volume analysis is a study of the "net sales" section of a company's profit and loss statement.
- 2.19 Retailers are not willing to share their scanner data with suppliers.
- 2.20 The use of mathematical models is the most popular forecasting method.

SECTION B

[Total 50 Marks]

Question 3

Explain how you as the sales manager should handle a representative who is one of the best performers, but is constantly driving all of the other representatives crazy with his/her argumentative, arrogant attitude.

3.1 In your answer Discuss five (5) different ways you would approach this issue. **(10 marks)**

3.2 A university professor developed a model for predicting/forecasting the sales of windmills to supply power for businesses and homes. Name five (5) factors and describe five (5) ways to demonstrate how the particular factor could be in the model. **(10 marks)**

Question 4 - Case Study

(30 marks)

Centennial marketing, Inc. - Closing Tactics – (Case adapted from Spiro, R., Rich, G. & Stanton, W. [2008] *Management of a Sales Force*. New York: McGraw-Hill/Irwin)

Ami Ove, President of Centennial Marketing, Inc., of Otjiwarongo, Otjozondjupa Region, had just finished talking with JD Van der Merwe over the phone, the assistant athletic director of Namibia University of Science and Technology (NUST) in Windhoek. Van der Merwe had asked Ove for a

personal appointment at 9:00 A.M. the following Monday to discuss his university's relationship with Centennial Marketing.

"We Make Your Business Look Good" is the motto of Centennial Marketing, which has over 25 years' experience as a manufacturer of custom-printed specialty products. These products include customized pens, bags, coffee mugs, hats, t-shirts, key chains, and so forth. Centennial's printing equipment is sophisticated, with the capability of foil hot stamp (printing method in which pre-dried ink or foils are transferred to a surface at high temperatures), flexographic (which is essentially a modern version of letterpress which can be used for printing on almost any type of substance, including plastic, metallic films, cellophane, and paper.), screen, and digital twenty-colour printing processes.

NUST is one of Centennial's largest customers. In particular, NUST athletic department buys a wide variety of customized products to promote its various athletic teams. Recently, NUST purchased a large order of mini-footballs from Centennial. These mini-footballs were imprinted with the NUST logo and were being passed out by the cheerleaders to fans at all the home football games.

As president of Centennial, Ami Ove rarely became involved in sales calls, and so was confused as to why JD Van der Merwe would call her. The NUST account was assigned to Jon Jacobs, who had only been with Centennial for a few months. Before Jacobs, the account had been handled for over 10 years by Marty Kamati, but was transferred to Jacobs upon Kamati's retirement.

In the just-finished phone call, Ami Ove could tell Van Der Merwe was angry. "I just don't trust that new sales guy you assigned to us," Van der Merwe told Ove. "Marty was great—I wish she hadn't retired. I felt like we were true partners. But Jon Jacobs is always using his high-pressure sales tactics to sell us what we don't need. The printing on these mini-footballs was not at all what we expected. Plus, he told us, 'if we order right-away, we'd get a great deal,' but I found out that you guys sold the same footballs to our rivals University of Namibia for 10 percent less!"

This reaction was all very surprising to Ove, who thus far had been impressed with the new salesperson. In fact, Jacobs's sales performance in his first quarter with the company was especially strong. Ove explained to Van der Merwe that it was not really appropriate for the company president to get involved in negotiations between a salesperson and his client. But Van der Merwe absolutely demanded that the two of them have a face-to-face meeting. "I'll be there at 9 O'clock on Monday morning!" Ove agreed to the meeting only to end the conversation—and, after all, NUST was one of Centennial's biggest customers.

Ove wondered what could have gone wrong. She recalled that Jon Jacobs's previous job was in real estate sales, which was an industry that did not focus as much on maintaining close relationships with customers. Ove was speculating if Jacobs had received the necessary training in the way Centennial go about building relationships with their customers.

Ove leaned back in her chair and looked out towards the sky. She wondered how she should handle this delicate matter.

Questions:

4. I Was it right for Ove to agree to meet with Van der Merwe? Should she invite Jacobs to the meeting? Why?

(10 marks)

4.2 How should Ove handle the meeting with Van der Merwe? **(10 marks)**

4.3 Demonstrate with practical examples related to Centennial, how a new salesperson should be taken through assimilation/integration in terms of the process it goes through in its quest towards building and maintaining long-term relationships with customers? **(10 marks)**

Grand Total 100 marks

THE END

SECTION A: ANSWER SHEET

Question 1

[Total 30 Marks]

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
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Question 2

[Total 20 Marks]

	<u>True</u>	<u>False</u>
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STUDENT NAME& STUDENT NO: _____

21/10/2015