



**NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

FACULTY OF MANAGEMENT SCIENCES

DEPARTMENT OF MARKETING AND LOGISTICS

QUALIFICATION: BACHELOR OF MARKETING	
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COURSE CODE: POS611S	COURSE NAME: PRINCIPLES OF SELLING
SESSION: JUNE 2019	PAPER: THEORY
DURATION: 3 HOURS	MARKS: 100
FIRST OPPORTUNITY EXAMINATION QUESTION PAPER	
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MODERATOR:	MR. V. HIJAMITA
INSTRUCTIONS	
<ol style="list-style-type: none">1. Answer ALL the questions.2. Write clearly and neatly.3. Number the answers clearly.4. Use the tables provided on [page 9] to answer Section A, Question One (1) AND Question Two (2) on [page 10] 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 09] 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. Ray Sanchez began as a junior sales rep at industrial products maker DECA Corporation 10 years ago, and has worked his way up steadily to Senior Regional Sales Director for the entire Southwest region. He is good at his job, and his greatest personal satisfaction—also the cause of his steady rise in the company—is his ability to understand customers and their needs and to sell them appropriate solutions. As a manager and now Senior Regional Director, Sanchez injects his department with this same commitment to understanding the customer's needs as the key to long-term, profitable sales relationships.

To become a successful salesperson, Sanchez had to adopt a personal selling philosophy. Which of the three prescriptions of that philosophy is not only a mindset but a skill that he has practiced and honed to become successful?

- A) adopt the marketing concept
- B) value personal selling
- C) assume the role of problem solver or partner in helping customers make informed and intelligent buying decisions
- D) focus on product knowledge and everything else will follow
- E) develop the ability to create rapport with customers so they are buying from a friend

1.2. There is a pay gap between men and women in the field of sales, with men earning more than women. Despite this, sales represents an excellent financial opportunity for women for which of the following reasons?

- A) The pay gap in sales is less than the pay gap in the workforce overall.
- B) The pay gap varies from company to company.
- C) The pay gap is only an issue in certain industries.
- D) The psychic income from sales is equivalent to the value of the pay gap.
- E) The psychic income from sales cannot be quantified.

1.3. As part of the marketing mix, the makers of the calendar will be running an advertising campaign directed at working mothers. Another part of the marketing mix is sending salespeople to sell:

- A) calendars to retail outlets
- B) calendars to working mothers
- C) organizational skills to working mothers
- D) nostalgia to organizers
- E) organizational skills to online reviewers

1.4 Consultative selling emphasizes need identification, which the salesperson achieves by:

- A) leading with the benefits of the product or service, not the features
- B) giving a professional sales presentation that engages multiple modalities
- C) mirroring the client's speech and body language to establish rapport
- D) carefully labeling all the steps to install and use the product
- E) asking the client questions and listening carefully to the answers

1.5 Edward, a pharmaceutical sales representative, tends to focus primarily on highlighting product features and making quick sales when interacting with customers. Sometimes, Edward misleads customers about the benefits and side effects of certain medications. Edward's sales manager has noticed that Edward's customer retention rate is very low and is concerned about Edward's personal code of ethics.

What is the best advice that the sales manager could give to Edward?

- A) View personal selling as transactional.
- B) Develop strategic alliances for profitability.
- C) Focus on tasks first and relationships second.
- D) Build customer relationships based on honesty.
- E) Behaviors are the foundation for values and attitudes.

1.6 Martin, a sales representative for a computer firm, receives the latest performance report on the main product he sells. Unfortunately, Martin's product performs slightly behind that of the closest competitor, and Martin is afraid that this information will cause him to lose customers. The research and development team has made some major improvements in the product, but the next performance report is not due out for another six months.

What should Martin most likely do to prevent the loss of customers?

- A) He should pretend that the recent performance report has not come out and tell his customers that he doesn't know when it will be out.
- B) He should change the numbers on the performance report to indicate that his product performs better than the competition's product.
- C) He should avoid direct contact with his customers until the next performance report comes out.
- D) He should expose the performance report but explain to customers that the product has been improved and new data will be available in six months.
- E) He should change the numbers for the competitor so it looks as if the two companies' products perform equally.

1.7 How would a CRM system most likely enable a salesperson to facilitate relationship building with numerous customers?

- A) projecting a professional image on social media sites
- B) using letter templates to convey information
- C) developing leads for potential new sales
- D) integrating numerous accounting tasks
- E) adding value to mature products

1.8 The bundle of facts, opinions, beliefs, and perceptions that you have about yourself are referred to as which of the following?

- A) self-concept
- B) self-love
- C) self-esteem
- D) self-reflection
- E) self-examination

1.9 Which of the following statements regarding communications-style bias is most likely true?

- A) Communication-style bias is quite rare.
- B) Communication-style bias can manifest as a general feeling of discomfort with another person.
- C) Communication-style bias is commonly understood in our society.
- D) Communication-style bias will not surface between two people with the same communication style.
- E) Communication-style bias will make a consulting sales relationship impossible.

1.10 Communication-style bias is most likely to occur when a salesperson:

- A) has a different communication style than a customer
- B) is unable to understand a customer's regional accent
- C) fails to use standard terms when describing products
- D) lacks a grasp of social customs in the customer's culture
- E) talks too quickly during most sales presentations

1.11 Most written proposals include all of the following components EXCEPT a(n):

- A) overview
- B) schedule
- C) objective
- D) hypothesis
- E) rationale

1.12 Which of the following statements is most likely true about products and product knowledge?

- A) Knowledge of a company's history is essential to selling that company's product.
- B) Product knowledge is not as important as selling technique for a professional salesperson.
- C) Knowledge of one's product or service is not important in all areas of professional selling.
- D) The extensive variety of available products in the market complicates the buying process.
- E) Salespeople who learn and impart too much product knowledge hinder the buying process.

1.13 Which term refers to the decisions and activities that are intended to create and maintain a certain product concept in the customer's mind?

- A) feature dumping
- B) product positioning
- C) product configuration
- D) value clustering
- E) strategic marketing

1.14 Product positioning is largely a function of:

- A) product expertise
- B) pricing strategies
- C) industry standards
- D) market segmentation
- E) product differentiation

1.15 The concept "Treat different customers differently" is based on the idea that:

- A) segmenting customers based on statistics and behavioral data leads to a higher rate of closing sales
- B) understanding a customer's needs and motivations as an individual allows you to sell them the correct solution
- C) creating a persuasive sales presentation requires understanding customer motivations
- D) customer strategy is a natural outgrowth of product strategy
- E) pipeline management requires understanding statistics and data of large and small groups of customers

1.16 Part of the customer strategy is understanding how a given customer plans to make a purchase, because:

- A) how the customer plans to buy tells us why the customer wants to buy
- B) the salesperson also needs to have a strong prospect pipeline and new account base
- C) the salesperson won't know what product to sell the customer without knowing the customer's buying process
- D) the selling process should be aligned with the buying process to make the sale go smoothly
- E) the buying process is something the salesperson should decide, not the customer

1.17 Technical reports, company-prepared sales literature, and writer testimonials from customers are most likely provided in _____ presentations.

- A) value
- B) sensory
- C) reminder
- D) persuasive
- E) informative

1.18 The primary goal of a(n) _____ presentation strategy is to influence the prospect's beliefs, attitudes, or behavior and to encourage buyer action.

- A) value
- B) sensory
- C) reminder
- D) persuasive
- E) informative

1.19 Which of the following would LEAST likely help a salesperson earn a repeat sale?

- A) providing professional looking business cards
- B) ensuring timely delivery of a product
- C) acting as the customer's advocate
- D) ensuring the accuracy of invoices
- E) offering technical expertise

1.20 A group of people who recommend customer-driven organizations to others could be called:

- A) disgruntled customers
- B) auxiliary salespeople
- C) a secondary salesforce
- D) missionary salespeople
- E) evangelist salespeople

Question Two

True or False Questions

Use the table provided on [page 10] 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 The detail salesperson is usually not compensated on the basis of the orders obtained, but receives recognition for indirectly increasing sales.

2.2 A sales representative for HP Computers who is selling a new form of sophisticated routing-to-server software would likely be classified as a sales engineer.

- 2.3 E-commerce has contributed to the decline in popularity of transactional selling.
- 2.4 Consultative selling, which emerged in the late 1960s and early 1970s, is not an extension of the marketing concept.
- 2.5 Individuals with high levels of emotional intelligence rarely display the qualities needed to be successful in sales because they appear untrustworthy.
- 2.6 It is unusual for salespeople to have to think about ethics on the job.
- 2.7 Although developing relationships with customers frequently leads to repeat business, such partnering rarely triggers referrals.
- 2.8 Traditional industrial age sales training programs encouraged salespeople to make positive first impressions with customers and then to push the product to make a quick sale.
- 2.9 An individual who is high on the sociability continuum tends to communicate in an ordered and measured manner.
- 2.10 Sociability reflects the amount of control we exert over our emotional expressiveness.
- 2.11 Today's salesperson acts as a partner by offering current product knowledge, awareness of the customer's needs and courteous service during and after the sale.
- 2.12. Today's company acts as a team to provide delivery and installation, orientation and training, quick-response times, credit options and outstanding service.
- 2.13 Becoming familiar with a customer's satisfactions is necessary for a salesperson to move from solution selling to value-added selling.
- 2.14 A good way to determine a customer's satisfactions is to find out what competitors are doing.
- 2.15 A habitual rebuy is characterized by perceived brand differences and high customer involvement.
- 2.16 One difference between organizational and consumer buyers is that organizational buyers' purchases are made for some purpose other than personal consumption.
- 2.17 The presentation strategy should be developed before the relationship, product, and customer strategy in order to have an effective plan.
- 2.18 Networking is another word for prospecting.
- 2.19 With business-to-business selling, responsiveness and reliability are essential service behaviors.
- 2.20 A "moment of truth" can be described as a situation where the customer's expectations were met.

SECTION B

[Total 50 Marks]

Question 3

3.1 You are a Senior Sales Representative for Auas Delta Namibia (Namibia's preferred General Motor (GM) dealer, Auas Motors stocks the full range of Chevrolet, Isuzu, Opel, Cadillac and Hummer vehicles. Their comprehensive range covers passenger cars, light commercial vehicles, trucks and 4x4s).

After 3 months, you have successfully sold 20 Isuzu D-Max 3.0 TD Double Cab 4x4 LX Auto 2019 model for N\$ 606 400-00 each to ABC Beverages who will use it for their sales representatives. Identify and Explain Five (5) different major customer service methods that you would employ to partner with this important customer. **(10 marks)**

3.2 Converting the prospect's attention from the social contact to the business proposal is an important part of the approach. Without this step, the door is closed on completing the remaining steps of the sale. There are several effective approach methods to capture the prospect's attention, arouse interest, and transition into the next step of the presentation.

Discuss Five (5) of these approach methods with Five (5) relevant examples to support your discussion. **(10 marks)**

Question 4 - Case Study

(30 marks)

Susana Rosas of CB Richard Ellis (CBRE)



Susana Rosas, a real estate broker at CB Richard Ellis (CBRE), places a great deal of emphasis on building rapport during the first contact. She, like most other real estate professionals, knows that

rapport with commercial real estate clients is of critical importance. She knows that to build relationships with clients, a good knowledge of the market is necessary but not sufficient. She has to master the multitude of skills, among which keeping an open and empathetic conversation style with her clients is the key; above all listening closely to everything that prospects say helps a salesperson to accurately identify their wants and needs. Furthermore, she works closely with her team members in the same collaborative manner to make sure all of those identified needs are met.

The commercial real estate services industry is highly competitive. CBRE, offers a wide variety of services such as industrial and logistical services, real estate consulting, investment properties services, and global corporate services. When clients want to find an office space, they hold their realtor/broker to high standards. After all, the term of a lease contract is a long-term one and the stakes are high. CBRE salespeople understand the magnitude and trend of the commercial real estate market. They know that the customers are eager to partner with someone who can be trusted to look after their best interests.

When new salespeople join the CBRE sales force, they usually work under a senior broker. The mentor helps these recruits form a professional image that appeals to the type of clientele served by the company. In the end, there is a direct link between the image projected by the salespeople and the success of the company. CBRE also adopts a team-based selling approach to ensure that the client is in good hands as the relationship between CBRE and the client develops.

Susana Rosas, an experienced broker in CBRE's Houston office, believes that working under a mentor to learn how to process a deal with a relationship orientation is invaluable. That mentality is part of CBRE's culture and success. Susana works closely with her team members through several stages of the relationship with CBRE clients, from prospecting to post-sales follow-up. When working with new recruits and her team members, she emphasizes the following points:

- Customers notice even the little details, such as the firmness of a handshake or a proper introduction.
- Salespeople at CBRE must be able to build rapport with a variety of personality types. Some customers are quiet, reserved, and somewhat guarded when expressing their views. Others are more impulsive and express their views openly. Salespeople are encouraged to alter their communication style to increase the comfort level of the customer. Susana believes that it is always important for a salesperson to gauge how his or her communication style impacts the prospect. A positive attitude is another important aspect of the relationship-building process at CBRE.
- Susana is a strong believer that salespeople should find out what customers value. Most of the time, a salesperson must come up with innovative solutions to seemingly irreconcilable needs, such as the need to have a large space to accommodate cyclical ups and downs of the customer's industry and the need for efficiency. What is the most important aspect of commercial real estate sales? Most customers do not open up and share important information until they trust the salesperson.

Questions

4.1 Why should real estate salespeople spend time developing a relationship strategy? What might be some long-term benefits of this strategy? Clearly discuss the Three (3) prescriptions with applicable examples why Susana Rosas should follow them. **(10 marks)**

4.2 Name the Four (4) key groups of people that the relationship strategy should encompass. Under each group list the various individual/s who would fit into each group. Give Two (2) examples of why the various individuals would fit in any of the Two (2) groups. **(10 marks)**

4.3 Is it ever appropriate to touch your client other than with a handshake? What are some precautions to take when preparing a meeting with a foreign-born prospect? Explain your answer. **(5 marks)**

4.4 How differently would you behave when dealing with a return client versus a new client? **(5 marks)**

Total 100 marks (END)

SECTION A: ANSWER SHEET

Question 1

Total: 20 X 1.5 = 30 Marks]

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
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1.20					

Question 2

[Total: 20 X 1 = 20 Marks]

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

06/05/2019