



**NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

FACULTY OF MANAGEMENT SCIENCES

DEPARTMENT OF MARKETING AND LOGISTICS

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| QUALIFICATION: BACHELOR OF MARKETING | |
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| SECOND 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 11] to answer Section A, Question One (1) AND Question Two (2) on [page 12] respectively: Detach and insert it into your answer booklet. | |

THIS QUESTION PAPER CONSISTS OF 12 PAGES (Including this front page)

SECTION A

Question 1

Multiple choice questions

Use the answer sheet to answer this Section. Indicate with a cross (X) the correct answer. 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.

Which of the following would be a reason for Sanchez to remain in his Senior Regional Sales Director position instead of moving to executive management?

- A) Upper management makes a much larger salary than a Senior Regional Sales Director does.
- B) The Senior Regional Sales Director position spends a significant amount of time traveling the territory every month.
- C) He would be one of the only Latino members of the upper management team.
- D) He has more freedom to direct his own business strategy in sales than he does in upper management.
- E) The company likes to promote employees with sales backgrounds into upper management.

1.2 Raundja Kandambo is a college student in the business department of her local university. She came in to college thinking she wanted to become an accounting major, but discovered that she is interested in product marketing and sales.

Despite her interest in sales, Raundja is concerned when she learns that, on average, female salespeople make less money than do male salespeople. Which one of the following statements is most likely true?

- A) Male salespeople have controlled the industry for almost a century, so there is no reason to think female salespeople will ever be able to equal male earnings.
- B) Male salespeople would like to earn salaries equal to the salaries of female salespeople, but industry regulations have set their starting salaries at unequal rates.
- C) Female salespeople will never earn as much as male salespeople will in certain industries, such as heavy industry and transportation.
- D) Female salespeople make less money than male salespeople do because they must take care of their families and therefore cannot be as focused on their jobs as men are.
- E) The difference between the average earnings of female and male salespeople is less than the difference between the average earnings of female and male workers in other professions.

1.3 Transactional selling is less complicated than consultative selling because:

- A) consultative selling takes into consideration the clients' varying needs
- B) consultative selling requires giving the client the product at the lowest price possible
- C) consultative selling is an earlier form of selling than transactional selling
- D) all sales begin with transactional selling
- E) a higher percentage of transactional sales close than do consultative sales

1.4 A key ingredient in the consultative selling process is:

- A) discounting appropriately
- B) serving the client
- C) overcoming objections
- D) selling in teams
- E) asking for the sale

1.5 Which of the following is a general guideline that serves as a foundation for a personal code of business ethics?

- A) Personal selling is a stepping stone to more legitimate careers.
- B) Be honest with yourself and with others.
- C) Tasks come first, relationships second.
- D) Your values should not be in conflict with those of your employer.
- E) Selling is about controlling the interaction and managing the relationship.

1.6 Taking time to establish a proper rapport with customers will most likely lead to:

- A) guaranteed sales
- B) open communication
- C) a faster sales cycle
- D) a slower sales cycle
- E) lower commissions

1.7 Which of the following is the best approach to improving your self-image?

- A) Learn to develop a positive mental attitude.
- B) Maintain a clear focus on past mistakes.
- C) Spend time getting to know your competition.
- D) Spend time each day contacting your current customers.
- E) Develop a general level of knowledge on many topics.

1.8 The win-win strategy can best be summed up by which of the following statements?

- A) Both buyer and seller come away from the negotiation having given up something they originally wanted.
- B) Both buyer and seller come away from the negotiation feeling that their best interests have been served.
- C) Both buyer and seller come away from the negotiation feeling that they have made a new friend.
- D) Neither buyer nor seller comes away from the negotiation feeling that they have made progress.
- E) Neither buyer nor seller comes away from the negotiation having given up anything.

1.9 Which statement is most likely true about the communication-style model?

- A) It is based on three important dimensions of human behavior.
- B) Emotion and dominance are the two primary dimensions.
- C) It is composed of four distinct quadrants.
- D) It is based on a highly accurate self-rating system.
- E) Successful salespeople tend to score high on dominance.

10 A customer who is higher in dominance tends to do which of the following?

- A) display an eagerness to agree quickly
- B) curb a desire to initiate demands
- C) cooperate excessively with others
- D) attempt to control situations
- E) wait for others to speak first

1.11 Rob Fernández is a sales representative employed by Computer Resources, a computer supplier that develops customer solutions that combine computer hardware, software, installation, and training. When Rob brings together many parts of the company's product mix in order to develop a customized customer solution, this is referred to as:

- A) developing a product configuration
- B) establishing a strategic priority
- C) qualifying product benefits
- D) quantifying product features
- E) creating a value statement

1.12 The written proposal is best described as a(n):

- A) government formality that customers do not read
- B) standardized document that highlights pricing
- C) opportunity to demonstrate writing skills
- D) plan of action based on facts and assumptions
- E) analysis of competing products and services

1.13 Just Candles, a supply house for scented and unscented tapers and other ceremonial candles to houses of worship, restaurants, and other establishments, has experienced a downturn in business in the last two years. Upon investigation, the owner of Just Candles learns that the same candles that they sell are available from online retailers for at least 10% less. The firm will not be able to survive if customers continue purchasing from competing online retailers. Just Candles maintains a storefront for selling candles but does not provide other services or products.

Which of the following would most likely be a value-added strategy that could boost sales for Just Candles?

- A) eliminating most candle sizes to focus on only tapers
- B) visiting commercial customers to give them product brochures
- C) offering classes for new customers on decorating with candles
- D) lowering prices on all taper candles to compete with e-retailers
- E) selling to customers in the local area using a mass marketing campaign

1.14 Abco Realty owns several rental apartment buildings in a working class but safe neighborhood that has recently become popular with young professionals because of its proximity to an express commuter train line. Abco has recently invested in the infrastructure of the buildings, adding laundry rooms, safety features to the lobbies, and new insulated windows to all the units. Because of this, Abco cannot afford to match the unit rental prices of other buildings that have not made improvements. How should the sales manager of Abco Realty most likely differentiate Abco's units from units offered in other buildings?

- A) The sales manager can convince management to cut expenses on basic maintenance so the apartments can be rented at prices matching other buildings in the area.
- B) The sales manager can promote the neighborhood as a safe place to live with a rich history.
- C) The sales manager can convince the owners of the other buildings in the area to bring their rental prices up to the prices Abco charges.
- D) The sales manager can promote Abco apartments as being worth more money because they are safer and have more services.
- E) The sales manager can promote Abco apartments as being worth more money because the company has helped raise home values in the area.

1.15 Terrance Simpson is a sales representative for Swim-Tex, a swimming pool service and supply company. Swim-Tex sells the chemicals needed for pool maintenance as well as pool accessories like slides, ladders, and diving boards. Swim-Tex sells to both consumers and businesses.

Terrence needs to rework his customer strategy to focus on:

- A) building a strong customer base
- B) why customers buy
- C) how customers buy
- D) collecting customer information
- E) increasing product knowledge

1.16 The three major types of organizational buying situations are:

- A) new task buy, rebuy, and limited task buy
- B) transactional buy, product buy, strategy buy
- C) habitual buying decisions, variety-seeking buying decisions, and complex buying decisions
- D) transactional buy, consultative buy, and strategic alliance buy
- E) new task buy, straight rebuy, and modified rebuy

1.17 Emmanuelle Djubo is a sales representative for a firm that makes textiles using a traditional dyeing process. The firm exports its products to companies in the fashion and home decorating industries internationally. Emmanuelle is at a trade show and runs into Suzanne, one of the buyers for the largest home decor retailer in Australia.

At the trade show, Emmanuelle gives Suzanne her elevator pitch, which:

- A) establishes a deep rapport between Emmanuelle and Suzanne
- B) explains the product's features, benefits, and quality guarantees
- C) provides Suzanne with enough information to pique Suzanne's interest
- D) presents the benefits to Suzanne of purchasing the product for home décor retailers
- E) suggests that Suzanne will receive a discount if she purchases textiles from Emmanuelle

1.18 Emmanuelle calls Suzanne and arranges a meeting to discuss both organizations. Before Emmanuelle goes to the meeting, what should she most likely do?

- A) Perform some visualization activities to help focus on winning the sale.
- B) Break the ice with Suzanne by mentioning a mutual acquaintance.
- C) Prepare a PowerPoint presentation about her firm's history and products.
- D) Send Suzanne an e-mail outlining the features of the textiles.
- E) Research Suzanne's firm on the Internet to get basic information.

1.19 In business-to-business sales, the most intense part of the sales relationship occurs:

- A) when the salesperson obtains permission to make the sales call
- B) in the need discovery phase
- C) as the salesperson configures the product for the customer
- D) as part of negotiations about price
- E) during the postsale support phase

1.20 Gail Sayers is a sales representative with Countrywide Transport, a company that provides chartered flights—airplanes, pilots, staff, and services—to client groups. She has just closed a large sale of several flights each week for four months to a service organization of Orthodox Jewish college students. The students are sent on work service projects all across the United States. The first flights will begin one week after the closing date.

Gail is always striving for the "moment of magic" with her clients. This means:

- A) fulfilling the basic spirit of the sales contract
- B) giving them what they paid for
- C) giving them what they paid for with excellent execution
- D) not only giving them what they paid for, but creating a satisfying experience with attentive customer service
- E) not only giving them what they paid for, but adding in free services and products

Question Two

True or False Questions

Use the answer sheet to answer this Section. Indicate with a cross (X) the correct answer. 1 mark will be awarded for each correct answer. **[20 x 1 = 20 Marks]**

- 2.1 Hotel sales managers, investment securities brokers, and real estate salespeople all have one thing in common—they sell a product.
- 2.2 A "knowledge worker" is someone who relays information from one party to another without changing.
- 2.3 Consultative selling emphasizes need identification, which the salesperson does by asking the client questions and listening carefully to the answers.
- 2.4 Strategic selling regressed because of broader and more diverse product lines, demand for specific customized solutions, and more competition.
- 2.5 People with high levels of emotional intelligence tend to display the characteristics needed for success in sales, such as self-awareness, self-confidence, empathy, and adaptability.
- 2.6 If you are not breaking the law, then you are definitely acting in an ethical manner.
- 2.7 Transactional selling is a strategically developed, long-term relationship that focuses on solving the customer's buying problems.
- 2.8 The role of a salesperson should move from supporting to selling in a partnership relationship.
- 2.9 The more strongly a person displays the trait of dominance, the less sociable they are.
- 2.10 Dominance can be defined as the tendency to control or prevail over others.
- 2.11 People buy products if the products fulfill a problem-solving need.
- 2.12 If the salesperson does not create a good buying experience for the customer, it could affect the customer's satisfaction with the product.

- 2.13 Today's better educated and more demanding B2B customers are seeking an isolated satisfaction.
- 2.14 Pricing decisions generally are made primarily during the introductory stage of the product life cycle and rarely change.
- 2.15 There are three types of organizational buying situations: new-task buy, straight rebuy, and modified rebuy.
- 2.16 Systems selling appeals to buyers who prefer to purchase individual products from a variety of sellers.
- 2.17 The skills that allow a salesperson to close the sale also allow the salesperson to service the sale.
- 2.18 Salespeople should help customers obtain credit to be able to finance a purchase.
- 2.19 The salesperson should personally inspect all equipment and products before a sales presentation to ensure everything is working properly.
- 2.20 Rehearsal of a sales presentation is not important if the presentation is well planned.

SECTION B

Question 3

[30 Marks]

3.1 You are a Senior Sales Representative for Air Namibia. In front of you are 5 high level business customers who are unhappy about a shipment worth N\$ 1 000 000 that has gone missing and can't be found. Identify and Explain Five (5) different ways you would deal effectively with this complaint in order to partner with these important customers.

(10 marks)

3.2 A well-written proposal reassures the buyer that you will deliver on your promises, which can set you apart from the competition. Discuss the Five (5) parts of the proposal and how it will benefit your business customer with specific B2B examples.

(10 marks)

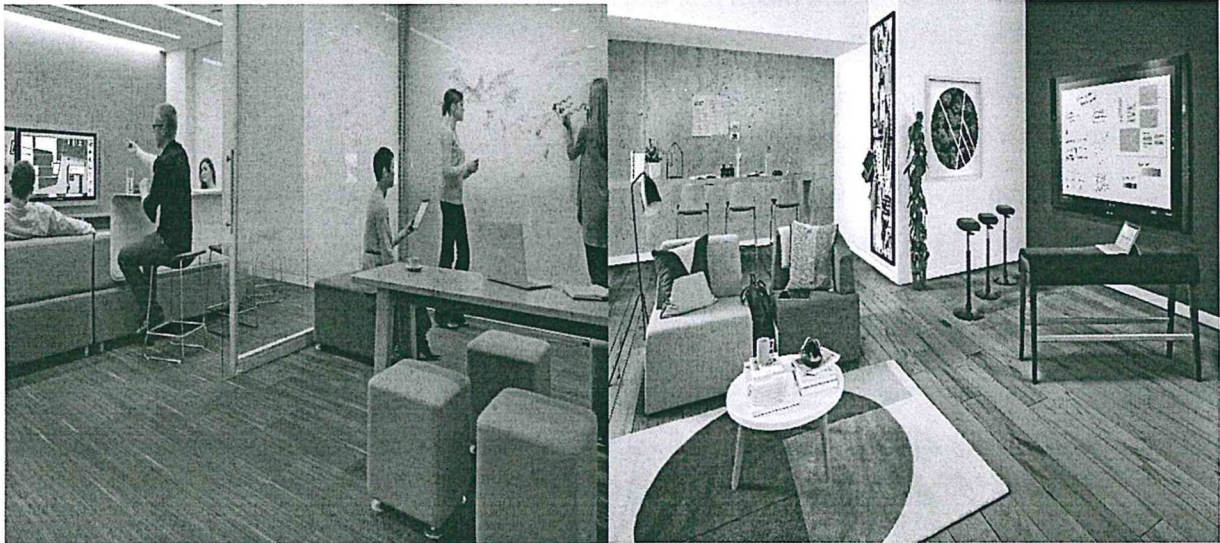
3.3 Distinguish among the Three (3) types of need-satisfaction presentations: Informative, Persuasive and Reminder. Clearly indicate in what scenarios you would use them and why with specific B2B examples.

(10 marks)

Question 4 - Case Study

(20 marks)

Selling New Products at Steelcase – Personal Harbour Workspaces



Many of the most profitable companies have discovered that there are “riches in market niches” They have developed products and services that meet the needs of a well-defined or newly created market.

Steelcase Incorporated, a leading source of information and expertise on work effectiveness, has been working hard to develop products that meet the needs of people who do most of their work in an office environment. Steelcase leads the way in creating great experiences by offering a range of architecture, furniture and technology products and services designed to help people reach their full potential. Our comprehensive portfolio is anchored by three core brands: Steelcase, Coalesse and Turnstone. Together with our partners, we design spaces to help people work, learn and heal.

And because protecting the environment is in our DNA, we drive sustainable social, economic and environmental change through our decisions and actions. At Steelcase, we don't just do what's right, we do what's best — for people and for the planet.

The company's motto is "the office environment company." One of its newest products is the "Think" chair. Steelcase also developed the Personal Harbor Workspaces, a self-contained, fully equipped, and totally private workstation. Steelcase sales literature describes the product as ideal for companies that are tired of waiting for the future:

They were developed to support the individual within a highly collaborative team environment, and they work best when clustered around common work areas equipped with mobile tables, carts, benches, screens, and other Steelcase Activity Products. These "commons" are meant to be flexible spaces that enhance communication and facilitate interaction.

Steelcase realized that selling this advanced product would not be easy, so a decision was made to develop an advanced sales team to presell the Personal Harbor before its major introduction. Once the team started making sales calls, it became evident that a traditional product oriented sales presentation would not work. The Personal Harbor was a departure from conventional office design, so many customers were perplexed. Sue Sacks, a team member, said, "People acted like we had fallen from Mars." Team members soon realized that, to explain the features and benefits of the product, they had to begin studying new organizational developments such as team-oriented workforces and corporate reengineering.

The advanced sales team was renamed the "advanced solutions team." Sales calls put more emphasis on learning about the customers' problems and identification of possible solutions. Members of the team viewed themselves as consultants who were in a position to discuss solutions to complex business problems. The consultative approach soon began to pay off in sales. One customer, a hospital, was preparing to build a new office building and needed workstations/workplaces for 400 employees. The hospital had formed a committee to make decisions concerning the purchase of office equipment.

After an initial meeting between the Steelcase sales team and the hospital committee, a visit to Steelcase headquarters in Grand Rapids, Michigan, mid-western region of the United States was arranged. The hospital committee members were able to tour the plant and meet with selected Steelcase experts. With knowledge of the hospital's goals and directions, Sue Sacks was able to arrange meetings with Steelcase technical personnel who could answer specific questions. The hospital ultimately placed an order worth more than a million dollars.

Questions

- 4.1) To fulfill a problem-solving need, salespeople must often be prepared to communicate effectively with customers who are seeking a cluster of satisfactions. Is it likely that a customer who is considering the Personal Harbour Workspaces will seek information concerning dimensions of the Product-Selling Model which looks at Product, Company, Competitor, Price and Salesperson attributes? Be specific as you describe those Five (5) dimensions of the Product-Selling Model. **(5 marks)**
- 4.2) What product-selling strategies are most effective when selling a new and emerging product such as the Personal Harbor Workspaces? Be specific with Five (5) examples/suggestions of strategies. **(5 marks)**
- 4.3) Sue Sacks and other members of her sales team discovered that a traditional product oriented presentation would not work when selling the Personal Harbor Workspaces. Success came only after the team adopted the consultative style of selling. Why was the product-oriented presentation ineffective? Be specific with (5) ways it was ineffective. **(5 marks)**

4.4) Sue Sacks and other members of the advanced solutions team found that the consultative approach resulted in meetings with people higher in the customer's organization. "We get to call on a higher level of buyer," she said. Also, the team was more likely to position the product with a value-added strategy instead of a price strategy.

In what ways did the advanced solutions team members add value to their product? Why was less emphasis placed on price during meetings with the customer? Be specific with Five (5) examples/possibilities how value was added and why less emphasis was placed on price. **(5 marks)**

Total 100 marks

(END)

SECTION A: ANSWER SHEET

Question 1

Total: 20 X 1.5 = 30 Marks]

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Question 2

[Total: 20 X 1 = 20 Marks]

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06/05/2019