



**PAMIBIA UNIVERSITY**  
OF SCIENCE AND TECHNOLOGY

**FACULTY OF COMMERCE, HUMAN SCIENCES AND EDUCATION**

**DEPARTMENT OF MARKETING, LOGISTICS AND SPORT MANAGEMENT**

<b>QUALIFICATION: BACHELOR OF MARKETING</b>	
<b>QUALIFICATION CODE: 07BMAK</b>	<b>LEVEL: 6</b>
<b>COURSE CODE: POS611S</b>	<b>COURSE NAME: PRINCIPLES OF SELLING</b>
<b>SESSION: JULY 2024</b>	<b>PAPER: THEORY</b>
<b>DURATION: 3 HOURS</b>	<b>MARKS: 100</b>
<b>SECOND OPPORTUNITY EXAMINATION QUESTION PAPER</b>	
<b>EXAMINER(S)</b>	MR. C. KAZONDOVI
<b>MODERATOR:</b>	DR. M. CHUFAMA
<b>INSTRUCTIONS</b>	
<ol style="list-style-type: none"><li>1. Answer ALL the questions.</li><li>2. Write clearly and neatly.</li><li>3. Number the answers clearly.</li><li>4. Use the tables provided on [page 10] to answer Section A, Question One (1) AND Question Two (2) on [page 11] respectively: Detach and insert it into your answer booklet.</li></ol>	

**THIS QUESTION PAPER CONSISTS OF 11 PAGES (Including this front page)**

## SECTION A

### Question 1

#### Multiple choice questions

Choose the correct answer and use the table provided on [page 10] 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

1.9 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

1.5 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

- 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.

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 11] 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.

## **SECTION B**

[Total 50 Marks]

### **Question 3**

(30 marks)

3.1 You are a Senior Sales Representative for Fly 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 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 answer.

(10 marks)

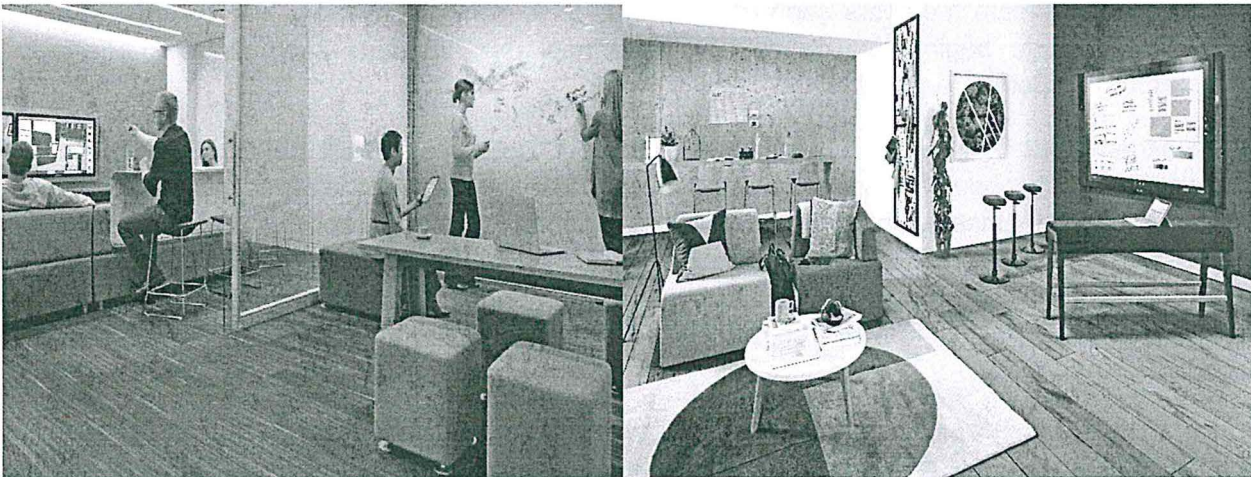
3.3 Distinguish among the three types of need-satisfaction presentations: Informative, Persuasive and Reminder. Clearly indicate in what scenarios you would use them and why with specific B2B examples.

(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



**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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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 (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 (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 (5) examples/possibilities how value was added and why less emphasis was placed on price. **(5 marks)**

**Total 100 marks**

**(END)**

**Question 2**

**[Total: 20 X 1 = 20 Marks]**

	<u>True</u>	<u>False</u>
2.1		
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