



PAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY

FACULTY OF COMMERCE, HUMAN SCIENCES AND EDUCATION

DEPARTMENT OF MARKETING, LOGISTICS AND SPORT MANAGEMENT

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FIRST OPPORTUNITY EXAMINATION QUESTION PAPER	
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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

Choose the correct answer and use the table provided on [page 11] 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. Which of the following is an activity that would most likely be performed by a customer service representative (CSR)?

- A) processing employee paperwork
- B) delivering supplies to the factory floor
- C) providing telephone support for installation
- D) calling on prospects to sell them the product
- E) reconciling bank statements with accounting records

1.2. XFormation is a company that develops and delivers custom trainings for products, procedures, and organisational change at companies. XFormation developers have extensive knowledge of adult learning theory, and the trainers are dynamic, engaged teachers.

Salespeople for XFormation need to be able to successfully:

- A) convince a prospect to buy
- B) partner with the prospect to achieve the prospect's training goals
- C) communicate why XFormation trainers are the best
- D) make prospects like them so they will want to buy from them
- E) persuade prospects that the XFormation training course will serve their needs

1.3. Which of the following is an example of a relationship strategy salespeople for XFormation could use? (Use scenario in 1.2 above)

- A) Use mirroring and other subtle methods to create rapport and a good relationship with the customer so the customer ultimately buys.
- B) Understand all the training products they sell and how to customize a package for the customer.
- C) Examine how they can add value for customers so the customers will continue to contract with XFormation on a long-term basis.
- D) Give a presentation to the customer after planning out the objectives carefully ahead of time.
- E) Understand the customer's needs and what and how they need to buy.

1.4 A salesperson's sales manager exerts strong influence on whether the sales rep acts ethically or not. A sales manager may not even be aware of the influence she wields or the effect her words or management techniques have on her employees. Of the following actions by a sales manager, which one could most easily be construed by an employee as a directive to use unethical conduct?

- A) offering an incentive or prize to salespeople who meet or exceed their quotas
- B) sending an email to the entire department whenever a sales rep closes a sale
- C) telling sales teams that they need to hit their quotas no matter what it takes
- D) modifying sales territories to ensure that key accounts are actively monitored
- E) contacting key accounts to let them know the company stands behind its product

1.5 Joelle Williams is a personal coach who works primarily with sales representatives at the Colotel Corporation, a company that manufactures and sells copiers, scanners, inkjet print heads, software etc. Joelle works on manners, nonverbal cues, and personal goal setting with the Colotel sales reps. Colotel prides itself on hiring locally and using regional ties to advance relationships with customers.

Joelle works with sales reps on visualization, or guided imagery/imagination and positive self-talk. What step is necessary first to be able to use these techniques effectively?

- A) setting personal goals
- B) creating a mental picture
- C) rewarding progress
- D) using affirmations
- E) controlling mannerisms

1.6 Which of the following is another benefit to a salesperson of learning to style flex, aside from putting the customer at ease?

- A) Style flexing improves a salesperson's acting skills, which helps the salesperson to persuade reluctant buyers to place orders.
- B) Paying attention to the customer's communication style helps the salesperson better understand the customer's product or service needs.
- C) Additional time spent with a customer helps the salesperson to create a positive relationship that will likely result in closing the sale.
- D) Customers are more likely to purchase from salespeople who seem successful, so it is important for salespeople to make sure that their own personal styles are current.
- E) Style flexing allows a salesperson to divide customers into four groups, write one script for each, and standardize sales calls.

1.7 The sales director of a medium-sized company selling chemicals to the wood industry has analyzed sales and found serious problems with the closing rate of sales representatives relative to the number of prospects. The sales director commissioned a research company to analyze the numbers in the CRM system and conduct interviews with prospects who became customers as well as with prospects who did not buy from the company. He also hired a sales training consultant to analyse the sales representatives and the training they receive.

The sales director and consulting team discuss changing the entire sales model for the company by eliminating the sales representatives altogether and allowing customers to order on their own from the company Website. What is the best argument against this plan?

- A) The sales representatives rely on the income they receive from their jobs.
- B) A request for proposal is required for all government sales.
- C) The company will need to alter its strategy to one based on e-commerce.
- D) The products require quotation management systems for tax purposes.
- E) The products are complex and frequently require product configurations.

1.8 Phil, a sales representative, believes that the BMW dealership he works at should lower car prices to capture a higher share of the market. Competing on price will most likely work with which of the following car buyers?

- A) a high-involvement buyer who values quality and durability
- B) a high-involvement buyer who is willing to research features and performance extensively
- C) a low-involvement buyer who is unwilling to purchase online
- D) a low-involvement buyer who has a tight budget
- E) a low-involvement buyer who asks an employee to make the buying decision

1.9 In order for a customer to arrive at a buying decision, the salesperson should present the product according to:

- A) the individual customer's needs
- B) the salesperson's point of view
- C) a standardized procedure or presentation
- D) the buyer profile based on industry research
- E) the chronological timeline of the product

1.10 Which influence on buying decisions is defined as a set of characteristics and social behaviors based on the expectations of others?

- A) reference group
- B) social class
- C) role
- D) culture
- E) process

1.11 After an educational seminar, Grackin sales representatives are excited because they experience a major increase in the number of potential prospects. However, Anita, the Grackin sales manager, makes the following statement to the sales team: "The sheer number of prospects a sales representative cultivates does not necessarily indicate the quality of the sales representative's pipeline." What does Anita most likely mean?

- A) A sales representative's pipeline is considered high quality when it contains prospects in multiple industries.
- B) Prospects are only valuable if they are qualified, so a few qualified prospects are better than many unqualified ones.
- C) Of all the prospects in a sales representative's pipeline, the only ones of value are the ones that make referrals to other buyers.
- D) Prospects are more valuable at different points in the pipeline, so it is impossible to determine the value of a sales representative's pipeline.
- E) A sales representative who works harder to convince prospects to buy will have a more valuable pipeline than one who simply tries to fill prospects' needs.

1.12 Grackin Corporation is expanding into a new territory in which they are not as well-known as they are in their current territories. As part of this new push, the sales director decides to use a strategy that involves making aggressive cold-calls and hosting frequent educational seminars.

Because cold calling does not immediately result in a high level of closed sales, some companies feel that it is worthless. However, when done correctly—by researching the prospect and keeping the call bright and focused—it can be a(n):

- A) tool for making a quick transactional sale
- B) strategy for qualifying prospects with an elevator pitch
- C) way to introduce the prospect to the sales representative
- D) risk-free way to build rapport with a new prospect
- E) method of closing sales that have been pending

1.13 Emmanuelle Djubo is a sales representative for a firm that makes textiles/materials using a traditional dyeing process. The firm exports its products to companies in the fashion and home decorating industries internationally. Emmanuelle is at the Ongwediva trade show and runs into Suzanne, one of the buyers for the largest home decor retailer in Namibia. (Use this scenario/situation to answer both 1.13 and 1.14)

1.13 During the sales presentation to the Suzanne's firm, Emmanuelle should most likely:

- A) create a marketing campaign that will appeal to mass audiences
- B) highlight features that show her firm's superiority
- C) set a price high enough to leave room for negotiation
- D) raise strong reasons for not purchasing from competitors
- E) make adaptations based on the needs of the prospect

1.14 Emmanuelle has made an initial approach to the largest home goods retailer in Namibia and has gained some basic information about the retailer's buying process. She has also made contact and established rapport with key buyers for the retailer. What is Emmanuelle's next step in the presentation plan to the retailer?

- A) making an initial introduction so the buyers know who she is
- B) making a formal sales presentation, including presenting benefits
- C) asking for the sale
- D) talking to the buyers to determine their needs
- E) negotiating the price the retailer will pay

1.15 ScranTone is a paper recycler and supplier serving the Khomas Region. Since the commercial paper market is saturated, the only room for growth is to expand existing accounts or to win over competitors' accounts. Kevin Salazar is a sales representative who has gotten another meeting with the head of purchasing for the copy centre at NUST. The purchasing agent has been buying from ScranTone's main competitor for three years. Kevin met with the purchasing agent again two months ago but was unable to make a sale. (Use this scenario/situation to answer both 1.15 and 1.16)

Which need-satisfaction strategy does Kevin most likely use?

- A) canned
- B) persuasion
- C) informative
- D) reminder
- E) adaptive

1.16 Why would Kevin Salazar most likely meet with purchasing agent again after being denied a sale?

- A) Kevin wants to show a strong commitment to getting the buyer's business.
- B) Kevin needs to meet a quota of sales presentations for the month.
- C) The competition offers an inferior product to Kevin's company.
- D) The previous presentation focused too much on customer needs.
- E) Kevin's sales manager requires that he use a canned presentation.

1.17 Kelly Addison is a designer clothing buyer for the Edgars chain of department stores. She has gone through several negotiation certification programs and is considered an expert negotiator by her peers. (Use this scenario/situation to answer both 1.17 and 1.18)

When Kelly sees value in a product but does not want to pay the suggested price, she often offers to split the price difference with the seller. If a salesperson finds Kelly's offer unacceptable, the salesperson should most likely:

- A) agree to split the difference
- B) make a pricing counteroffer
- C) provide a trial demonstration
- D) walk away from the negotiations
- E) show sourcing documents as proof

1.18 Because Kelly is a tough negotiator, salespeople must be aware of how much flexibility they have in terms of price, specifications, and delivery schedules. Which of the following best helps a salesperson with determining the walk-away point when dealing with Kelly?

- A) SWOT
- B) CRM
- C) ROI
- D) PLC
- E) ZOPA

1.19 Humu Kapumba is a sales representative with Countrywide Namibia Flights, a company that provides chartered/hired 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 NUST marketing students. The students are sent on marketing campaigns projects for different companies all across Namibia. The first flights will begin one week after the closing date. (Use this scenario/situation to answer both 1.19 and 1.20)

Which of the following would most likely help Humu prevent post-sale problems?

- A) sending e-mails to other university groups referred to her by the client
- B) scheduling regular account reviews to assess the client's satisfaction
- C) asking the client to call her assistant with any questions
- D) submitting bills quickly to insure quick payment
- E) re-defining her service and product strategy

1.20 After the first flight, Humu would most likely build a long-term relationship with the new client by:

- A) e-mailing a new flight schedule
- B) sending an online customer service survey
- C) calling the client to ensure satisfaction with the flight
- D) requesting referrals from the client to engage in upselling
- E) checking with the billing department to make sure the client was invoiced

Question Two

True or False Questions

Use the table provided on [page 12] 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 four major strategies that form the strategic/consultative selling model are independent of one another.

2.2 Typical salespeople spend about 30 percent of their time in actual face-to-face selling situations.

2.3 Product disparagement/criticism constitutes a type of business defamation/insult.

2.4 Although developing relationships with customers frequently leads to repeat business, such partnering rarely triggers referrals.

2.5 Style flexing is the deliberate attempt to accommodate the needs of your customer.

2.6 Prospects are not likely to use past performance of a company to evaluate the quality of the current product offering.

2.7 B2B companies should always buy products if they fulfill a problem-solving possibility.

2.8 The three prescriptions for developing a customer strategy focus on (1) the customer's buying process, (2) why customers buy, and (3) negotiating the transaction.

2.9 The need to belong is really just an urge, not a basic human social need.

2.10 The use of friends and acquaintances is not an acceptable way to build a prospect base as it would seem as being bias.

2.11 When you build value into your sales process, you increase the odds that the customer will give you a referral.

2.12 Team selling is not ideally suited to organizations that sell complex and/or customized products and services.

2.13 The customer benefit approach is not a good way to get the prospect's attention.

2.14 There are several different types of presentations, and the salesperson should choose the one most likely to influence the prospect.

2.15 Overstructured sales presentations may cause a customer to feel like a number.

2.16 Negotiation is defined as "working to reach an agreement that is satisfactory to either the buyer or the seller."

2.17 The foundation for win-win negotiations is a relationship with the customer built on trust and rapport.

2.18 Direct denial may be inappropriate when a customer's objection is based on misinformation.

2.19 Full-line selling, sometimes called suggestion selling, should be spontaneous and unplanned in order to achieve naturalness in the selling situation.

2.20 Cross-selling involves selling products that are directly related to products that you have sold to an established customer.

SECTION B

[Total 50 Marks]

Question 3

3.1 Describe five (5) elements or guidelines of an effective group/team presentation with five (5) specific examples of each. **(10 marks)**

3.2 The development of a win-win relationship strategy starts with contrasting the behaviours of people who adopt the win-lose approach with those of people who embrace the win-win approach. (Please see the comparison on the next page)

Win-Lose People

- See a problem in every solution
- Fix the blame
- Let life happen to them
- Live in the past
- Make promises they never keep

Win-Win People

- Help others solve their problems
- Fix what caused the problem
- Make life a joyous happening for others and themselves
- Learn from the past, live in the present, and set goals for the future
- Make commitments to themselves and to others and keep them both

Compare and Contrast the two approaches with specific practical Business-to-Business (B2B) examples to distinguish between them. **(10 marks)**

Question 4 - Case Study

(30 marks)



Body Glove International (www.bodyglove.com), a leading manufacturer of wetsuits for a variety of water sports, had a humble beginning. Bill and Randy Meistrell, founders of the company in 1953, were active in surfing and scuba diving/underwater diving during the emergence of the California surf culture when

good-quality wetsuits were hard to find. They decided to turn this problem into an opportunity and developed their own wetsuit design. The first suits were sold at a small dive shop in Redondo Beach, California, United States of America. Today Body Glove International is a multimillion-dollar global company that is recognized worldwide for its quality products and outstanding customer service.

With the aid of modern computers, staff members can check the status of any order. The customer service staff, working with salespeople, continues to add value after the sale is closed. Servicing the sale encompasses a variety of activities that take place during and after the implementation stage of the buying process. This includes servicing the sale as a three-part process: follow through on assurances and promises, follow up with ongoing communication after the sale, and expansion selling, which involves identifying additional needs and providing solutions which can add value and build the partnership.

Many of the consumers who are involved in water sports such as water skiing, scuba diving/ underwater diving, surfing, or jet/water skiing purchase Body Glove products because they represent both quality and value. The first suits were custom made for customers who responded to ads placed in local newspapers. As sales increased, the Meistrell brothers developed a small manufacturing facility and began distributing their products through retail stores on the West Coast. Soon Body Glove became a national company and later an international company. The success of Body Glove can be traced to several factors:

- *A company philosophy that is based on the belief that you never sacrifice quality.* A product that is comfortable and well-made attracts the customer who is willing to spend more to get the best product. The company used to manufacture its own products, but now it outsources all manufacturing. These companies must maintain high quality standards established by Body Glove.
- *A belief that brand management is very important.* Today, Body Glove International is placing more emphasis on brand management. The company wants to influence the perception of Body Glove products in the minds of customers. Company officials recognise that in a world of sensory overload caused by too much information, brands are more important than ever. Customers think about what matters to them, analyse their choices, and usually select a brand that meets their needs.
- *Innovations in sales and marketing strategies that enhance product distribution and sales.* Body Glove International has developed more than 30 partnerships with distributors. These distributors (called "marketing intermediaries") employ salespeople who call on retail stores. At the current time, distributors employ about 250 salespeople. The company now has a stronger global sales organization with special emphasis on South America, New Zealand, and Australia.
- *Investment in a first-class customer service centre:* The people at Body Glove believe that excellent customer service adds value to the product. The staff makes sure that all orders are carefully processed. With the aid of computers, they can check the status of any order. The staff can also process special orders quickly. The customer service employees work hard to build the strongest possible partnership with the customer.

Questions

- 4.1) The company officers have made a decision to develop partnerships with a group of distributors. These distributors will employ salespeople to call on retailers who sell Body Glove products. What steps can Body Glove take to ensure that retailers and retail customers receive excellent service? Be specific with (5) examples as you describe those (5) steps to ensure that retailers and retail customers receive excellent service. **(10 marks)**
- 4.2) How might a Body Glove salesperson add value with Full-line selling and Cross-selling to distributors? Be specific with (5) examples/suggestions of adding value with Full-line selling and (5) examples/suggestions of adding value with Cross-selling. **(10 marks)**
- 4.3) What types of follow-through activities and follow-up calls should Body Glove sales representatives be prepared to initiate? Be specific with (5) examples of follow-through activities. **(5 marks)**
- 4.4) Assume that a large order sent to one of your best customers arrived very late. The products were not available for a major weekend sale. How might you partner with this unhappy customer? Be specific with (5) examples/possibilities how you might partner with the customer. **(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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Question 2

[Total: 20 X 1 = 20 Marks]

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