



**NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

FACULTY OF COMMERCE, HUMAN SCIENCE AND EDUCATION

DEPARTMENT OF MARKETING & LOGISTICS

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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 and Number the answers clearly.2. This paper consists of two (2) sections (A & B).3. Use the tables provided on [page 11 & 12] to answer Section A, Question One (1) AND Question Two (2) respectively: Detach and insert it into your answer booklet.4. Write as legible and as precise as possible.	

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. Corporate-sponsored sales training usually includes training on:

- A) CRM software
- B) accounting methods and theory
- C) shipping systems and logistics
- D) operating production machinery
- E) competitors' products

1.2. The ultimate goal of the "marketing concept" is:

- A) product diversification
- B) customer satisfaction
- C) brand loyalty
- D) rising profit margins
- E) efficiency of production

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

Which of the following is the main goal for XFormation salespeople in terms of product strategy?

- A) Create products that customers really want to buy instead of products that the company wants to sell.
- 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. Which of the following would be most helpful to salespeople in dealing with bribery?

- A) a well-established corporate policy on bribing
- B) knowing that bribery is sometimes illegal
- C) knowing that bribery is often unethical
- D) a sales manager who has given bribes in the past
- E) university coursework on bribery

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, printers 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 most likely advises sales representatives to:

- A) speak more quickly during sales presentations to encourage fast sales
- B) maintain the same speech rate during all conversations with customers
- C) correct grammar problems to ensure that communication is clear and precise
- D) use technical terms and youthful phrases to convey an energetic personality
- E) employ the local accent, even if they are not from that area, to bond with local buyers

1.6 The immature or extreme characteristics of each Communication Style can most likely:

- A) never be altered because of heredity
- B) overcome communication-bias issues
- C) enhance overall sales performance
- D) change with time and effort
- E) lead to increased sociability

1.7 The idea that the characteristics that make others respect you can also make others frustrated with you is called the: _____

_____ paradox.

- A) sociability
- B) dominance
- C) strength-weakness
- D) flexing
- E) communication-bias

1.8 A salesperson is required by his employer to use a script when making a sales presentation. The script includes standard jokes and repeated attempts at relationship building, plus a rapid close to the sale. The salesperson recognizes that a potential client has a reflective communication style and may be offended by some of the elements in the script.

What should the salesperson do?

- A) The salesperson should stick with the script and timing as written, as it's been tested by her manager and has a high rate of success.
- B) The salesperson should abandon the script without telling her manager and be blunt and direct with the potential client.
- C) The salesperson should double up on the research and facts she presents during the presentation to appeal to the potential client's deliberate side.
- D) The salesperson should ask her sales manager to come with her to the first sales call so that the potential client knows the company is serious about winning the client's business.
- E) The salesperson should omit the jokes and downplay the relationship-building attempts, while drawing out the close to give the potential client longer to decide.

1.9 The sales director of a medium-sized company selling chemicals to the lumber 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 analyze the sales representatives and the training they receive.

The training consultant feels that the sales representatives need to understand the entire market to put their customers' needs and buying motives in context. To understand the entire industry, the training consultant recommends that the sales representatives learn more about:

- A) customers' business plans
- B) competitor companies' products and pricing
- C) management's five-year plan
- D) the history of the lumber industry
- E) the close rates of other sales reps in the company

1.10 The sales director discovers that salespeople have been discussing competitors in an effort to introduce doubt about competing products to prospects. Why has this backfired?
(Use scenario in 1.9)

- A) Discussing competitors makes the prospects wonder why the salespeople are so interested, and the prospects do research on the competitors.
- B) Prospects assume that the salespeople must be representing the competing companies, so they send their orders in to the incorrect companies.
- C) The insecurity that leads the salespeople to discuss their competitors with prospects also prevents the salespeople from asking for the sale.
- D) Prospects cannot understand the distinctions of the competing features of the products until they have used both products.
- E) Salespeople are inadvertently discussing the benefits of competing products instead of the ways in which they fall short of their own products.

1.11 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.

Terrance has noticed that many of his customers become very frustrated with him when he attempts to use needs assessment, problem solving, or relationship building techniques. These customers typically know what product will meet their needs. What should Terrance most likely do when faced with this type of customer?

- A) Highlight product benefits more than product features.
- B) Ask the customer questions to identify unspoken wants.
- C) Focus on the purchase stage of the buying process.
- D) Spend more time building rapport with the customer.
- E) Rework the presentation script to focus more on emotion.

1.12 How would Terrance most likely benefit from aligning the sales process with the customer's buying process? **(Use scenario in 1.11)**

- A) lower advertising and marketing costs
- B) greater efficiency with fewer salespeople
- C) lower travel expenses due to fewer customer visits
- D) greater success in making sales due to understanding how buyers buy
- E) fewer returns from customers who felt pressured into making transactional purchases

1.13 Andrew McIlhern, a software sales representative, is not happy about giving up two days of making sales calls to work his company's booth in the exhibit hall of a major regional trade show. When Andrew consults with his company's exhibit manager, however, she urges him to use the time to prospect wisely.

How can Andrew use those two days in the exhibit hall to increase his pipeline?

- A) spend time studying product literature to increase his product knowledge
- B) present to unqualified visitors to the booth to improve his elevator pitch
- C) make calls to current customers during breaks to provide after-sale service
- D) ask co-workers to call some of his prospects to obtain potential referrals
- E) qualify prospects with a few questions when they first enter the booth

1.14 When a salesperson asks a customer to prepare a note or letter of introduction that can be delivered to the potential customer, this person is using which prospecting method?

- A) networking
- B) mail inquiry
- C) cold calling
- D) referral
- E) trade show

1.15 Which is the first step in creating a presentation objective?

- A) Obtain personal and business information to establish the customer's file.
- B) Exchange personal information with the customer to break the ice.
- C) Learn about the competition's most popular products.
- D) Focus on networking in social situations.
- E) Acquire information needed for a routing plan.

1.16 Web-Star makes Web conferencing software with features that integrate directly into users' back-end systems such as inventory, order processing, shipping, tracking, CRM, and tech support. Using this software, companies can hold internal meetings as well as give sales presentations that allow them to check inventory in real-time and place customer orders during the presentation. Quite often, Web-Star salespeople make sales presentations to prospects using the Web-Star product to show off its capabilities.

Why is understanding the Web-Star product essential for a salesperson who uses adaptive selling to sell the teleconferencing software?

- A) The salesperson must know the product completely to be able to persuade prospects to purchase it.
- B) The salesperson must know the pricing schedule for all products and volumes of sales to give a quote instantly to an interested prospect on the phone.
- C) The salesperson must understand the ins and outs of the product to be able to quickly re-evaluate the best configuration for a prospect based on new information from the prospect.
- D) The salesperson must know the product to be able to point out the flaws in competitor's teleconferencing software to prospects.
- E) The salesperson must know all about the product to be able to explain all the features during a presentation.

- 1.17 The customer strategy is one of the foundations of adaptive selling because:
- A) the customer may not purchase until after the salesperson presents the customer strategy
 - B) the customer needs to have faith that the salesperson understands the product completely
 - C) a salesperson has to understand the customer's needs to be able to sell to them effectively
 - D) a salesperson needs to be prepared to answer any questions the customer has about the product
 - E) a salesperson needs to be able to shorten the sales cycle by forming a relationship with the customer
- 1.18 When a prospect has voiced an objection, it is most likely best for the salesperson to:
- A) suggest postponing the negotiations
 - B) divert attention to a product feature
 - C) illustrate the product's high quality
 - D) deny the accuracy of the objection
 - E) clarify the true nature of the problem
- 1.19 Working to reach an agreement that is mutually satisfactory to both buyer and seller is also called:
- A) negotiation
 - B) agreement
 - C) practice theory
 - D) tactics
 - E) strategy
- 1.20 When a customer raises a valid objection that cannot be answered with a denial, the salesperson should most likely take which of the following actions?
- A) discuss superior benefits
 - B) engage in back-pedaling
 - C) begin a pricing approach
 - D) re-start the presentation
 - E) criticize the competition

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 Firms that hire professionals such as accountants and engineers almost always hire separate sales staff so the professionals do not have to sell.
- 2.2 Typical salespeople spend about 30 percent of their time in actual face-to-face situations.
- 2.3 Values are deep personal beliefs and preferences.
- 2.4 It is almost impossible for management to develop guidelines for sales personnel regarding having a personal code of ethics that creates value
- 2.5 Communication style bias can cause a feeling that we simply do not like another person, without knowing exactly why.
- 2.6 Communication style is based on a combination of hereditary and environmental factors.
- 2.7 Changing sales behaviours in order to improve communication with the customer is known as consultative selling

- 2.8 If the prospect's most preferred communication style is reflective, the salesperson should avoid actions that are too informal.
- 2.9 With regards to product knowledge, decision-making authority in the area of pricing gives the salesperson more responsibility but less power because firms profit from all sales.
- 2.10 Salespeople who can develop a sales proposal that contains specific information about the return on investment are more likely to get a favorable response from key decision makers.
- 2.11 The first stage in the typical buying process is evaluation of solutions.
- 2.12 Transactional buyers are well aware of their needs and usually know a great deal about the products or services they intend to purchase.
- 2.13 The transition from the pre-approach to the approach is sometimes blocked by sales call reluctance.
- 2.14 Using a combination of approaches tends to confuse prospects and rarely results in identifying customer needs.
- 2.15 Research shows that a neutral third party's testimony tends to provide a weak argument when answering a customer's concern.
- 2.16 The demonstration method of negotiating buyer resistance is one of the most convincing ways to overcome buyer skepticism.
- 2.17 Negotiation is defined as "working to reach an agreement that is satisfactory to either the buyer or the seller."
- 2.18 The foundation for win-win negotiations is a relationship with the customer built on trust and rapport.
- 2.19 Within most cultures are groups whose members share value systems based on common life experiences and situations. We call such a group a subculture.
- 2.20 The need to belong is really just an urge, not a basic human social need.

SECTION B

[Total 50 Marks]

Question 3

3.1 Throughout the years, salespeople have identified and used a number of effective methods to capture the prospect's attention, arouse interest, and transition into the next step of the presentation. Name and Discuss with specific B2B examples Five (5) of the most common Approaches.

(20 marks)

3.2 Several theories explain how customers arrive at a buying decision. One traditional point of view is based on the assumption that a final buying decision is possible only after the prospect has answered five logical questions which is called the Buyer Resolution Theory. Name and Discuss these Five (5) different questions. **(10 marks)**

Question 4 - Case Study

(20 marks)

Heather Ramsey/Marriott International



Each year, public and private organizations send thousands of employees to meetings held at hotels, motels, convention centers, conference centers, and resorts. These meetings represent a multimillion-dollar business in the United States.

The Marriott Houston Hobby is located at a convenient location, only one kilometre from the Hobby Airport in Houston, Texas, most populous city in the Southern United States. It also has a competitive edge because it lies outside of the flight path. In addition to convenience and tranquility, the goal of the hotel is to provide guests outstanding meeting and conferences services. The hotel offers 235 deluxe guest rooms, 52 suites, 13 soundproof meeting rooms with state-of-the-art audiovisual technology, and continuous break service that can accommodate any agenda. Lavish customized meal events from a wide variety of international cuisines are a specialty of the Marriott Houston Hobby.

In an ideal situation, Heather Ramsey, corporate catering manager at the hotel, tries to get the prospects out for a site inspection of the property. Prospects might also sample hors d'oeuvres/appetisers or lunch meals during this site tour. This tour, in some ways, fulfills the function of a sales demonstration. Throughout the tour, she describes special amenities and services offered by the hotel. She also uses this time to get better acquainted with the needs of the prospect. Once the tour is completed, she escorts the prospect back to her office and completes the needs assessment. Next, she prepares a detailed sales proposal or, in some cases, contracts. The proposal needs to contain accurate and complete facts because, when signed, it becomes a legally enforceable sales contract.

For big events, the sales proposal is rarely accepted without modification. Professional meeting planners are experienced negotiators and press hard for concessions. Some have completed training programs developed for professional buyers. The concessions requested may include a lower guest-room rate, lower meal costs, complimentary suites, or a complimentary event such as a wine and cheese reception. It might take as long as two months to reach an agreement with sophisticated buyers.

Of course, some buyer resistance is not easily identified. Heather Ramsey says that she follows four steps in dealing with buyer concerns:

1. Identify the actual needs of the prospects. To achieve win-win deals, Heather spends time asking specific questions about the customer's needs such as the audience of the event, the size and timing of the event, or the customer's budget. The prospects normally focus on negotiating details of food menu choice, group rates for room rental, and audiovisual facilities.
2. Locate the resistance. Some prospects are reluctant to accept the offer, but the reason may be unclear. Heather has discovered in some cases that asking open-ended questions goes a long way in understanding the actual resistance. Once this perception is uncovered, Heather knows how to deal with it.
3. Clarify the resistance. If a prospect says, "I like your facilities, but your prices are a little high," then the salesperson must clarify the meaning of this objection. Is the prospect seeking a major price concession or a small price concession?
4. Overcome the objection. Heather says, "You must be prepared for negotiations by understanding both your flexibility and the customers' needs." The hotel must earn a profit or publicity, so concessions can be made only after careful consideration of the bottom line and other intangible benefits.

Heather has discovered that the best way to negotiate buyer concerns is to make sure both the prospect and the resort feel like winners once the negotiations are finalized. If either party feels like a loser, a long-term relationship will not be possible. During peak seasons, Heather might also need to negotiate the schedule of events with prospects to minimize opportunity costs for the hotel while keeping the customers happy by offering off-season concessions. Questions

Questions

- 4.1. If you were selling convention services for a hotel located in a large city, what types of buyer concerns would you expect from a new prospect? Discuss Five (5) different possible buyer concerns. **(10 marks)**
- 4.2. There are specific methods of negotiating buyer concerns. How would you negotiate with your buyer? Discuss Five (5) different methods that you would use to negotiate possible buyer concerns. **(10 marks)**

Total 100 marks

(END)

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**MINISTRY
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2022-05-06

**DEPARTMENT OF RESEARCH
AND LOGISTICS**

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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