higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

SALES MANAGEMENT N5

11 November 2022

This marking guideline consists of 9 pages.

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SECTION A

QUESTION 1

1.1	1.1.1	B
	1.1.2	D
	1.1.3	A
	1.1.4	B
	1.1.5	B
	1.1.6	D
	1.1.7	C
	1.1.8	A
	1.1.9	B
	1.1.10	D
	1.1.11	B
	1.1.12	C
	1.1.13	A
	1.1.14	D
	1.1.15	C

(15 × 2) (30)

1.2	1.2.1	True
	1.2.2	True
	1.2.3	True
	1.2.4	False
	1.2.5	False
	1.2.6	False
	1.2.7	True
	1.2.8	True
	1.2.9	False
	1.2.10	False

(10 × 2) (20)
[50]

TOTAL SECTION A: 50

SECTION B

QUESTION 2

2.1
- The products/services they provide
- How they market their products/services
- Prices for their products
- How they distribute/deliver products
- The after-sales services that they offer
- Their media activities (where they advertise)
- How they use IT in their business (e.g. website, email or social media)
- Size of their market share (Any 5 × 2) (10)

2.2 Step 1: PROSPECTING✓✓

- Before planning a sale, a salesperson conducts research to identify the people (prospects) or companies✓ that might be interested in his/her products.✓

Step 2: PREAPPROACH TO THE SALES PRESENTATION✓✓

- This step is also known as the planning of the sales presentation. The salesperson researches his/her prospect in this step, ✓ familiarising himself/herself with the customers' needs and learning all relevant background information about the individual or company.✓

Step 3: APPROACH TO THE SALES PRESENTATION✓✓

- This step is about how to start the discussion.✓ The salesperson learns about different types of approach techniques to use✓ and then plans the correct approach for each specific prospect.

Step 4: THE SALESPRESENTATION✓✓

- This is where the research pays off. At this stage the salesperson understands his/her prospects as well as their needs.✓ The salesperson is doing an actual sales presentation and he/she is sure that his/her product will offer solutions to the prospect's problem.✓
- Product demonstration will also happen in this step.
- The salesperson will also use visual aids during this presentation.

Step 5: HANDLING OF OBJECTIONS✓✓

- After the salesperson's presentation, it is natural that customers may have some form of hesitation or concern. These are called objections.✓✓
- At this stage the knowledge of the salesperson's product, knowledge of the prospect, as well as his/her business will now play a role on how well he/she will handle these objections.

Step 6: THE SALES CLOSE✓✓

- In this step, if the prospect is convinced that the product of the salesperson will meet his/her needs,✓ the salesperson will close by agreeing on the terms of sale and finishing the sales transaction.✓
- Sometimes a salesperson has to make several trial closes, addressing further objections before the customer is ready to buy.

Step 7: AFTER-SALES SERVICE✓✓

- The sales process doesn't end with the close of the sale.✓ This step is an important part in ensuring customer satisfaction, retaining customers as well as prospecting for new ones.✓
- If after-sales service is not done correctly, a salesperson may lose his/her customers to competitors.

Do not award marks if steps are not in sequence.
NOTE: Markers can use own discretion; learner must show understanding. (7 × 4) (28)

2.3
- Travel
- Waiting
- Face-to-face selling
- Service
- Administration/paperwork (5 × 2) (10)

2.4 Routing is a travel plan or pattern used by a salesperson when he/she visits customers in his/her specific sales area (territory) (2)
[50]

QUESTION 3

3.1
- Lack of money (blue textbook)/money and price objection (red textbook)✓✓
- One of the most general reasons why people do not buy is a lack of money.✓
- If someone does not have money or his/her expenses are too high to take on extra debt, he/she will not buy.✓
- The salesperson has an ethical responsibility not to sell products or services to people who cannot afford them.

Red textbook
- Money and price is not the same thing.
- Money objection means the prospect does not have money to buy the product.
- Price objection means that the prospect might have the money to pay for the product but feels the price is too high.

- Inconvenience✓✓
- Many sales transactions are unsuccessful because the sale is inconvenient to the prospect.✓
- People look for convenience and comfort, so the salesperson must make it as easy as possible for the prospect to buy. ✓
- The place of sale, parking space availability, method of payment, size of transaction, delivery, etc. are all things the salesperson can make easier for the prospect.

- No need✓✓
- This simply means that the prospect does not need the product.✓
- It is important that the salesperson correctly qualify the prospect in the selling process to avoid getting this type of an objection.✓

- Wrong time✓✓
- This type of objection is often heard: 'I don't have time to see you now' or 'contact me later in about a month'.✓
- This can simply be an excuse to postpone the sale for a psychological reason or it could really be the wrong time.✓
- The salesperson can overcome this objection by arranging a time that is convenient for the prospect to buy the product.

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- Other obligations✓✓
- People cannot buy everything they are offered, every person has a list of preferred purchases, according to Maslow's hierarchy of needs.✓
- Necessities such as home, food and clothing would satisfy the basic needs, only after these, would attention be given to the purchase of comfort and luxury articles.✓
- The best way to overcome this kind of objection is to discover the competing needs and to highlight the advantages of your product above those of other products.

(TWO marks for naming, ONE mark for each explanation) (5 × 4) (20)

3.2
- The task of explaining quotas and how they are determined is simplified.
- Sales management has information about their territories that management does not have.
- Salespeople are more easily convinced of the accuracy of sales management. (3 × 2) (6)

3.3
- Conditions within the company
- Conditions within the industry
- Changed market conditions
- General business conditions (4 × 2) (8)

3.4
- Do not talk too much.
- Keep the message simple.
- Speak the prospect's language.
- Speak clearly and understandable.
- Be specific.
- Use sales talk.
- Ask questions throughout. (Any 5 × 2) (10)

3.5
3.5.1 Physical action technique
3.5.2 Emotional closing technique
3.5.3 Assumptive close

(3 × 2) (6)
[50]

QUESTION 4

4.1
- In this method, the forecaster asks the opinion about future sales from every salesperson working in the field.
- Each salesperson will project a number he/she thinks he/she will make during the forecasting period.
- Salespeople will use previous sales figures as well as their experience in making their prediction.
- Their estimates are then combined and modified by management to produce a company sales forecast.
- This method can be used successfully if the company has senior salespeople with a lot of experience. (Any 4 × 1) (4)

ADVANTAGES
- The knowledge and expertise of the people closest to customers are used.
- Salespeople are aware of trends.
- The sales force is under more pressure to make the forecast happen.
- The salespeople have greater confidence in forecasts, targets and budgets.
- Forecasts are developed by products, territories, customer type and time period. (Any 3 × 2) (6)

DISADVANTAGES
- The sales force might lack training in forecasting methods.
- Their daily contact with their territory may obscure an objective picture.
- Immediate personal problems may lead to excessively low forecasting.
- Recent successes may make salespeople too optimistic.
- If forecasts are used for setting sales quotas and determining compensation, the forecast becomes distorted to suit their personal interests. (Any 3 × 2) (6)

FOUR points for explanation, THREE advantages and THREE disadvantages.

4.2
- Create goodwill.
- Review the sales presentation.
- Record everything that happened.
- Ask the prospect why he/she declined the proposition and listen carefully.
- List all the mistakes made.
- Maintain contact with the prospect.
- Do not give up. (Any 5 × 2) (10)

4.3
- Marketing research
- Product planning
- Standardisation and grading
- Price determination
- Distribution and transport
- Risk factor
- Advertising
- Promotion and sales (Any 5 × 2) (10)

4.4
- A money objection means the prospect does not have the money to buy the product.
- A price objection means that the prospect might have the money to pay but feels the price is too high. (2 × 2) (4)

4.5
- Provide quantitative performance standards.
- Obtain tighter sales and expense control.
- Motivate desired performance.
- Use in connection with sales contests/competitions. (4 × 2) (8)

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4.6
- A prospect is a potential client.
- A prospect is someone with a high chance of buying. (Any 1 × 2) (2)

[50]

QUESTION 5

5.1
- Boosts the salesperson's self-confidence
- Knowledge contributes to more enthusiasm
- Promotes specialisation and professionalism
- Higher income
- Contributes to personal development and progress
- Knowledge builds loyalty (Any 5 × 2) (10)

5.2
- Users
- Initiators
- Influencers
- Final decision makers
- Buyers
- Gatekeepers (Any 5 × 2) (10)

5.3
- Nature of the sales job
- Nature of the product
- Stage of market development
- Intensity of market coverage
- Intensity of competition (5 × 2) (10)

5.4 The question approach✓✓
- With regard to the prospect's need and problem, and the salesperson's knowledge of his/her product,✓ the salesperson develops questions within his/her approach which will arouse the prospect's attention and interest.✓
- The question must be worded in such a way that the prospect gives the answer which the salesperson wants to hear.

Make a stimulating statement✓✓
- With this approach, the salesperson grabs the prospect's attention by making a statement which immediately makes him/her to listen.✓
- It can be about what the product has done for another person or company.✓
- The statement made by the salesperson is usually followed by a question.
- The salesperson must always be able to support these statements with evidence.

Shock approach✓✓
- This technique is used to grab the prospect's attention by shocking him/her and/or developing fear in him/her,✓ arousing attention and interest to listen further.✓
- Salespeople selling insurance or security products can successfully make use of this approach.
- This approach works especially well for prospects that are aware of dangers but who, for some reason, keep on delaying

Product approach✓✓
- The salesperson's approach is built entirely around his/her product.✓
- It is used especially where the product is very unique and very attractive. ✓
- It is also used because the product itself and no other technique will grab the attention and interest most effectively.
- This technique is based on the salesperson saying nothing, only taking out the product and handing it to the prospect or displaying it.

The customer benefit approach✓✓
- This technique involves the salesperson focusing the prospect's attention and thoughts on a benefit of the product or service.✓
- The benefit must be of real interest to the prospect.✓
- The salesperson must know the prospect's buying motives from pre-approach information, otherwise this method will be unsuccessful.
- It is used especially if certain buying motives prevail.

The compliment approach✓✓
- The salesperson looks for something on which he/she can complement the prospect.✓
- The complement must however be sincere and conveyed with empathy.✓
- A door-to-door salesperson can complement the prospect on his/her beautiful house or garden.✓
- The complement approach must not be overdone and it also does not work with all prospects.
- This technique can be used very successfully together with other approach techniques.

The premium approach✓✓
- This approach technique is based on every person's desire to receive gifts or something for free.✓
- It can be an offer to help a prospect with a problem, a free inspection or service.✓
- It could even be a small free gift or a sample of the product.

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The showmanship approach✓✓

- The salesperson must make his/her approach and presentation with the necessary display and showmanship.✓
- The salesperson opens the discussion in a dramatic manner, exaggerating his/her actions and gestures.✓
- The salesperson backs up his/her words with action and gestures, how he/she handles products, how he/she stands, his/her facial expressions, etc.
- This approach involves the use of more than one of the prospect's senses, e.g. 'Taste this', 'Smell it', 'Feel the material', 'Listen to the sound', etc.
- The prospect also becomes involved and is made part of the presentation right from the start.

(TWO marks for naming, TWO marks for discussion (ONE mark per fact))

(Any 5 × 4) (20)
[50]

TOTAL SECTION B: 150
GRAND TOTAL: 200

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