



higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

N1430(E)(J6)H

NATIONAL CERTIFICATE

SALES MANAGEMENT N5

(4090325)

6 June 2018 (X-Paper)
09:00–12:00

This question paper consists of 7 pages.

DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA
NATIONAL CERTIFICATE
SALES MANAGEMENT N5
TIME: 3 HOURS
MARKS: 200

NOTE: If you answer more than the required number of questions, only the required number will be marked. Clearly cross out ALL work you do NOT want to be marked.

INSTRUCTIONS AND INFORMATION

1. Answer ALL the questions in SECTION A.
 2. Answer any THREE of the four questions in SECTION B.
 3. Read ALL the questions carefully.
 4. Number the answers according to the numbering system used in this question paper.
 5. Write neatly and legibly.
-

SECTION A**QUESTION 1**

- 1.1 Indicate whether the following statements are TRUE or FALSE. Choose the answer and write only 'True' or 'False' next to the question number (1.1.1–1.1.20) in the ANSWER BOOK.
- 1.1.1 Personal selling and salespeople form an integral part of a country's social and economic system.
 - 1.1.2 All people in society have needs they want to satisfy as an individual or as a group.
 - 1.1.3 The salesperson cannot be enthusiastic unless he/she knows all the strengths of his/her product and business.
 - 1.1.4 It is not important for the salesperson to be knowledgeable about the composition of his/her product range.
 - 1.1.5 Politics, economics, laws and regulations are examples of general business conditions that can affect the sales of a business positively or negatively.
 - 1.1.6 The workload of the individual salesperson is equalised through specific designed territories.
 - 1.1.7 Circular routes involve starting at the office and moving in a circle of stops until the salesperson ends up back at the office.
 - 1.1.8 Customer care and service is not important if a business wants to retain loyal customers.
 - 1.1.9 It is imperative that businesses ask for the customers' feedback.
 - 1.1.10 The sales transaction has not been successfully completed before the customer is completely satisfied with the product or service.
 - 1.1.11 The biggest reason why salespeople lose sales is their inability to close at the right time.
 - 1.1.12 The salesperson has an ethical responsibility not to sell products or services to people who cannot afford them.
 - 1.1.13 A satisfied customer of a product or service may serve as a referral for the salesperson.
 - 1.1.14 With the question technique, the product speaks for itself.

- 1.1.15 The salesperson's income is directly related to the volume of his/her sales, if he/she receives a straight commission.
- 1.1.16 Direct prospecting is also known as cold canvassing.
- 1.1.17 An influence centre is an example of an approach technique.
- 1.1.18 Buyers sign contracts.
- 1.1.19 Expense quotas are used in appraising performance and are standards to keep expenses in line with sales volume.
- 1.1.20 The general objective of quota is to control the sales effort. (20 × 2) (40)
- 1.2 Name the closing technique that is represented in each of the following situations. Write only the answer next to the question number (1.2.1–1.2.5) in the ANSWER BOOK.
- 1.2.1 This is the only car left in this colour and the manufacturer has discontinued this model.
- 1.2.2 We have this nice kettle in various colours such as yellow, green and pink. Which colour would you prefer?
- 1.2.3 If you buy it now, you'll get another one free.
- 1.2.4 Will you be paying cash or by credit card?
- 1.2.5 You, your children or your wife can suddenly become ill and medical costs are too high these days. The last thing you want to worry about is finances. You want your family protected, don't you? (5 × 2) (10)
- [50]**
- TOTAL SECTION A: 50**

SECTION B

Answer any THREE of the four questions in SECTION B.

QUESTION 2

- 2.1 The importance of personal selling differs from company to company and from one industry to the next. In every company which markets a product or service, the salesperson fulfils an important function.
- State FOUR roles of personal selling in a company. (4 × 2) (8)
- 2.2 State THREE problems that can be encountered in sales territory design. (3 × 2) (6)
- 2.3 Explain the difference between *job description* and *job specification*. (4)
- 2.4 Describe the following approach techniques:
- 2.4.1 Shock approach
 2.4.2 Product approach
 2.4.3 Compliment approach
 2.4.4 Premium approach
 2.4.5 Question approach (5 × 2) (10)
- 2.5 Give SIX reasons why customers must be followed up. (6 × 2) (12)
- 2.6 Name FIVE factors that influence the design of the buying team. (5 × 2) (10)
- [50]**

QUESTION 3

- 3.1 Clearly distinguish between *market potential* and *sales potential*. (2 × 3) (6)
- 3.2 Establishing or revising sales territories and providing for their effective and efficient coverage, is a key part of sales management's strategic planning task.
- State SEVEN benefits derived from establishing specific territories. (7 × 2) (14)
- 3.3 Name THREE ways in which a company can express sales volume quotas. (3 × 2) (6)
- 3.4 Money and price is not the same thing.
- Differentiate between *money objection* and *price objection*. (4)

- 3.5 Describe the following closing techniques:
- 3.5.1 The assumptive close
 - 3.5.2 The minor question technique
 - 3.5.3 The inducement technique
 - 3.5.4 The emotional closing technique
 - 3.5.5 The standing room only technique (5 × 2) (10)
- 3.6 A salesperson must schedule his/her time in order to eliminate wasting time, to increase efficiency and to maximise productivity.
- Give THREE examples of time allocation problems. (3 × 2) (6)
- 3.7 Define the term *sales territory*. (4)
- [50]**

QUESTION 4

- 4.1 Mpikiwane Tyres is a new business that has just been launched.
- 4.1.1 Explain why they cannot use the time series analysis as a forecasting method. (2 × 2) (4)
 - 4.1.2 Suggest a forecasting method that they can use. (2)
 - 4.1.3 Give a reason for your answer given in QUESTION 4.1.2 and give an example. (2 × 2) (4)
- 4.2 Name FOUR reasons why quotas are used by sales managers. (4 × 2) (8)
- 4.3 Explain the following prospecting techniques:
- 4.3.1 Endless-chain technique
 - 4.3.2 Influence centre
 - 4.3.3 Direct prospecting (3 × 4) (12)
- 4.4 It is important for the salesperson to prove claims he/she makes about his/her product because that will give the prospect confidence in the product and eventually convince him/her to buy.
- Name FIVE techniques that can be used to prove claims during a sales presentation. (5 × 2) (10)

- | | | | |
|-----|---|---------|-------------|
| 4.5 | State THREE advantages of a properly designed routing system. | (3 × 2) | (6) |
| 4.6 | Name TWO types of quotas. | (2 × 2) | (4) |
| | | | [50] |

QUESTION 5

- | | | | |
|-------------------------|--|----------|-------------|
| 5.1 | State TWO advantages of the sales force composite as a forecasting method. | (2 × 2) | (4) |
| 5.2 | Whether a company is setting up sales territories for the first time or revising existing ones, the same general procedure applies. Give the general procedure in sequence. | (5 × 2) | (10) |
| 5.3 | What are the benefits of being knowledgeable as a salesperson? (Refer to the importance of knowledge.) | (3 × 2) | (6) |
| 5.4 | The professional salesperson who wishes to achieve success knows that he/she must devote time and attention to the gathering of information in connection with the prospect. Discuss the importance of gathering preapproach information. | (5 × 2) | (10) |
| 5.5 | Advise a junior salesperson on the tips/steps to be built into the planning of the sales presentation. | (10 × 2) | (20) |
| | | | [50] |
| TOTAL SECTION B: | | | 150 |
| GRAND TOTAL: | | | 200 |