



**higher education
& training**

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

SALES MANAGEMENT N5

29 MAY 2019

This marking guideline consists of 8 pages.

SECTION A

QUESTION 1

1.1	1.1.1	D		
	1.1.2	B		
	1.1.3	C		
	1.1.4	A		
	1.1.5	D		
	1.1.6	C		
	1.1.7	B		
	1.1.8	A		
	1.1.9	D		
	1.1.10	C		
			(10 × 2)	(20)

1.2	1.2.1	False		
	1.2.2	True		
	1.2.3	False		
	1.2.4	False		
	1.2.5	True		
	1.2.6	True		
	1.2.7	False		
	1.2.8	False		
	1.2.9	True		
	1.2.10	False		
	1.2.11	True		
	1.2.12	True		
	1.2.13	False		
	1.2.14	False		
	1.2.15	True		
			(15 × 2)	(30)
				[50]

TOTAL SECTION A: 50

SECTION B

QUESTION 2

2.1	<ul style="list-style-type: none"> • To ensure customer satisfaction • To make the customer feel important • To ensure customer loyalty • To build strong long-term relationships with customers • To provide support to customers • To handle complaints/enquiries • To provide customer care and after-sales service 	(Any 5 × 2)	(10)
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- 2.2
- Nature of the sales job
 - Nature of the product
 - Stage of market development
 - Intensity of market coverage
 - Intensity of competition
- (5 × 2) (10)
- 2.3
- 2.3.1
- Based on the prospect's need and problem, the salesperson develops questions in his approach
 - The question should be worded in such a way that it arouses the prospect's attention and interest.
- 2.3.2
- The salesperson wants to create fear, anxiety and shock in the prospect to get his attention.
 - The salesperson can use a real case or scenario of an incident that happened to someone the prospect knows well.
 - Salespeople selling insurance or security products can successfully use this approach.
- 2.3.3
- In this approach, the product speaks for itself.
 - The salesperson builds his or her approach entirely around the product.
 - Used especially where the product is very unique and attractive.
 - The product itself will grab the prospect's attention and interest.
- 2.3.4
- This approach is based on every person's desire to receive gifts or something free.
 - The salesperson looks for something on which he can complement the prospect, be it his house or business.
 - This technique does not work with all prospects.
- (4 × 4) (16)
- 2.4
- Ask more specific questions
 - Convert the objection into an advantage
 - Provide proof
 - Agree and qualify
 - Provide more information
 - Overcome objections by agreeing
 - Compare products and service
 - Show the prospect what a delay could cost
 - Relate the product to the prospect's buying motives
 - Limit objections
- (Any 5 × 2) (10)
- 2.5
- Personal selling is the oral and physical offering✓ of a product by a salesperson to one or more prospective buyers with the purpose of identifying a problem or problems✓ the product or service can solve to close the sales transaction at a profit✓ for the company represented by the salesperson and to give after-sales service to the customer's satisfaction.✓
- (4)

QUESTION 3

- 3.1
- Creativity, resourcefulness and imagination
 - Self-motivation to attain goals
 - Persuasive and mentally sharp
 - Self-confidence and self-assurance
 - Social person and service-orientated
 - Perseverance and drive
 - Observant, sharp-witted and studious
 - Adaptable and versatile
 - Reliable, responsible and punctual
 - Empathy, tolerance and understanding (Any 5 × 2) (10)
- 3.2
- Customer services
 - Handling complaints
 - Handling returns and adjustments
 - Credit applications
 - Other supplementary services (Any 4 × 2) (8)
- 3.3
- A centre of influence is usually a person or an organisation that has gained honour, respect and admiration in the community, business and industry, and to whom others look up.
 - People respect such a person's judgement and are keen to follow his or her example in everything he or she does.
 - Salespeople must use their existing customers who qualify as centres of influence as references once they have obtained permission to do so.
 - Influence centres can be attorneys, doctors, ministers, actors/actresses, and sportspeople, et cetera.
 - For example: Cristiano Ronaldo of Juventus for Nike, Lionel Messi of Barcelona for Adidas, Pepsi or Lays
 - Simphiwe Tshabalala of Kaizer Chiefs as the brand ambassador for Fish & Chips (Accept any 5 × 2) (10)
- 3.4
- Plan each demonstration individually
 - Suit the sales talk to the demonstration
 - Be prepared (prior arrangements for demonstration)
 - Cover the most important product features
 - Get the prospect involved
 - Demonstrate step by step
 - Maintain control
 - Establish time and pace for demonstration
 - Close and follow up demonstration (9 × 2) (18)
- 3.5
- 3.5.1 The minor question technique
- 3.5.2 The inducement technique
- 3.5.3 The emotional closing technique
- 3.5.4 The standing room only technique (4 × 1) (4)
- [50]**

QUESTION 4

4.1 Jury of executive opinion

- Uses experts with years' experience.
- Executives meet and offer their opinions on the forecast for the period in question.
- This method is subjective.
- Useful in situations where no previous data is available
- Used when a new business is started, a new product line is launched or a business plans to sell in a new area

Delphi technique

- This method uses the opinions of executives without face-to-face discussions.
- Opinions are given anonymously.
- This creates a more accurate forecast than the jury of executive opinion.
- This method is more structured and more objective than the jury of executive opinion.

Sales force composite

- The forecaster asks every salesperson's opinion about sales who works in the field.
- Each salesperson will make a projection of his or her sales territories.
- Used if the organisation has more senior salespeople with experience
- Managers will assess the numbers and make necessary adjustments

Time-series analysis

- Uses the analysis of historical trends to predict future demand
- A time series is a set of observations on variables such as sales
- Forecasting is based on the assumptions that patterns observed in past sales can be used to predict future sales
- A time series can comprise different types of movements or variations, for example cyclical, seasonal and random variations

Users' expectations

- Also referred to as buyer's intentions
- Relies on answers from actual users/customers
- Used when customers are concentrated in a few geographical areas
- Mostly used in the case of industrial products

Indicators

- Often certain factors relate to the sales or costs associated with a product but their impact only occurs after some time has lapsed.
- A leading economic indicator is an economic factor that changes, and thereafter the economy follows a trend.
- This method is, however, complicated and single indicators are not adequate to make a forecast.

(Any 3 × 4) (12)

- 4.2
- Sales philosophy of the business (slogan)
 - Production processes and methods
 - Distribution policy
 - Promotion and advertising
 - Financial and credit policy
 - Price policy
- (Any 5 × 2) (10)
- 4.3
- Sales volume quotas
 - Budget quotas
 - Activity quotas
 - Combination and point system quotas
- (4 × 2) (8)
- 4.4
- Name, address and type of business
 - The history and other information about the business and personnel
 - The operational functioning of the business
 - Industry competitors and buying procedures
 - Future perspective
- (5 × 2) (10)
- 4.5
- The product, for example, may be outdated
 - Packaging might be inconvenient
 - As a result of misunderstanding, delivery or distribution problems
 - Competitors' lower prices
 - Invoicing errors
 - Poor salesmanship in terms of approach or the way sales staff handled objections
- (5 × 2) (10)
- [50]**

QUESTION 5**5.1 CONDITIONS WITHIN THE COMPANY/BUSINESS**

- Any changes in a business's marketing policy or 4p's can reduce or increase sales.
- Example: If the business has to raise prices in future, this action could possibly reduce unit sales volume.
- Sales volume can go up and down depending on price elasticity.

CONDITIONS WITHIN THE INDUSTRY

- Any change in the industry has an impact on the business.
- Industry conditions can be anything that might hurt or help the entire industry.
- Example: a strike in the industry can affect the sales volume.

CHANGED MARKET CONDITIONS

- Market conditions refer to the characteristics of the market in which a business operates.
- New competitors entering the market
- Increase or decrease in the market's growth rate or any other factor affecting the primary demand for the industry's output
- Example: Rising petrol prices can decrease the demand for large cars and increase the demand for smaller cars because large cars consume a lot of fuel compared to smaller cars.

GENERAL BUSINESS CONDITIONS

- Politics, economics, laws and regulations and the natural environment are examples of general business conditions that can affect a business' sales either positively or negatively.
- Higher interest rates result in people buying fewer luxuries.
- Higher inflation rates result in people being less brand loyal, and buying cheaper product ranges. (4 × 4) (16)

- 5.2**
- Ensures proper market coverage
 - Equalises workload
 - Increases salespeople's morale
 - Better evaluation and control over sales force
 - Better analysis and planning of sales activities
 - Improves sales
 - Reduces conflicts and disputes
 - Improves/strengthens customer relations
 - Reduces selling costs
 - Improves co-ordination between selling and other marketing activities (Any 5 × 2) (10)

5.3	<ul style="list-style-type: none">• To provide quantitative performance standards• To obtain tighter sales and expense control• To motivate desired performance• To use in connection with sales contests/competitions	(4 × 2)	(8)
5.4	<ul style="list-style-type: none">• Size of the organisation• Type of product• Price• Company policy• Risk involved• Time pressure• Type of purchase	(Any 5 × 2)	(10)
5.5	<ul style="list-style-type: none">• Reduces travel time and selling cost• Improves territory coverage		(6)
			[50]
		TOTAL SECTION B:	150
		GRAND TOTAL:	200