



higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

SALES MANAGEMENT N5

18 NOVEMBER 2019

This marking guideline consists of 8 pages.

SECTION A**QUESTION 1**

1.1	1.1.1	C		
	1.1.2	C		
	1.1.3	B		
	1.1.4	B		
	1.1.5	A		
	1.1.6	A		
	1.1.7	A		
	1.1.8	B		
	1.1.9	D		
	1.1.10	D		
	1.1.11	A		
	1.1.12	B		
	1.1.13	A		
	1.1.14	B		
	1.1.15	D		
			(15 × 2)	(30)
1.2	1.2.1	True		
	1.2.2	True		
	1.2.3	True		
	1.2.4	False		
	1.2.5	True		
	1.2.6	True		
	1.2.7	True		
	1.2.8	False		
	1.2.9	False		
	1.2.10	True		
			(10 × 2)	(20)
				[50]
			TOTAL SECTION A:	50

SECTION B**QUESTION 2**

- 2.1
- Personal neatness and attire
 - Appearance
 - Good health
 - Manners and habits
 - Use of voice (5 × 2) (10)
- 2.2
- To provide quantitative performance standards
 - To obtain tighter sales and expense control
 - To motivate desired performance
 - To use it in connection with sales contest/competitions (4 × 2) (8)
- 2.3
- 2.3.1
- Salesperson assumes that the prospect will buy no matter what.
 - 'It's just a question of a few minor matters such as colour, size, delivery, terms, et cetera.'
 - If the prospect does not stop the salesperson, the sales transaction has been completed, and administration procedure for closing has to be finalised.
 - For example, 'Will you be paying cash or credit?'
 - 'We'll deliver on Monday.' (Any 2 × 2)
- 2.3.2
- In this closing approach the salesperson simply asks for an order.
 - Many salespeople miss an opportunity to make a sale because they do not ask prospects to buy.
 - Salespeople are afraid to get a 'NO' answer.
 - Salespeople have fear of rejection, because they cannot handle failure.
 - With this technique, salespeople should be aware of body language, so that they can know the right time to ask. (Any 2 × 2)
- 2.3.3
- In this technique the salesperson does something physical in bringing the sales close. ✓✓
 - For example, the salesperson hands a pen to the prospect to sign the contract. ✓✓
 - A salesperson selling cars can hand over the car keys to the prospect and say, 'Take it for a test drive.'
 - By completing the actions of the salesperson (taking the pen or signing the contract, et cetera) the prospect silently agrees to buy the product. (Any 2 × 2)

- 2.3.4
- This technique makes use of man's natural tendencies to want what others have.
 - It is against human nature to let opportunity pass by.
 - If the prospect hears that there's only one item left, or that it has already been ordered, they usually want it.
 - This technique cannot be used to get rid of goods that are selling slowly and of which there are still many in stock.
 - It would be unethical for the salesperson to do so.
 - For example, 'This offer expires today: it is your last chance to buy it at 50% discount.'
 - 'There are only two couches left in this colour, and we won't be receiving more of them.'
- (Any 2 × 2)
(4 × 4) (16)
- 2.4
- Name, address and type of business
 - The history and other information about the business and the personnel
 - The operational functioning of the business
 - Industry competitors and buying procedures
 - Future perspective
- (5 × 2) (10)
- 2.5
- Deciding which accounts (customers) to call
 - Dividing time between selling and administration
 - Allocating time between present customers, prospective customers and service calls
- (3 × 2) (6)
[50]

QUESTION 3

- 3.1 Jury of executive opinion ✓✓
- Experts with years of experience are used with this method. ✓
 - Executives meet and offer their opinions on the forecast for 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 utilises 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✓✓

- In this method, the forecaster asks the opinion about sales from every salesperson working in the field.✓
- Each salesperson will make a projection for their own sales territories.✓
- Used if the organisation has more senior salespeople with experience.

Managers will assess the numbers and make necessary adjustment.

Time series analysis✓✓

- This method 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 assumption that patterns observed in past sales can be used to predict future sales.
- A time series can comprise different types of movements or variations, e.g. cyclical, seasonal and random variation.

User's expectations✓✓

- Also referred to as buyer's intentions✓
- This method relies on answers from actual users/customers.✓
- Used when customers are concentrated in a few geographical areas
- Mostly used with industrial products

Indicators

- Often certain factors relate to the sales or costs associated with a product, but their impact only occurs after a period of time.
- A leading economic indicator is an economic factor that changes and thereafter the economy follows a trend.
- This method is complicated, however, and single indicators are not adequate to make a forecast. (Any 5 × 4) (20)

3.2

- Need or use
- Ability to buy
- Size and importance of sales transaction
- Frequency of need
- Urgency of need
- Authority to buy (Any 5 × 2) (10)

3.3

- 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.
- Time and pace for demonstration.
- The closing and follow-up of demonstration. (Any 5 × 2) (10)

- 3.4
- The product may be outdated.
 - Packaging might be inconvenient.
 - The results of a misunderstanding (delivery or distribution problems)
 - Competitor's lower prices
 - Invoicing errors
 - Poor salesmanship in terms of approaching or handling of objections by sales staff.
- (Any 5 × 2) (10)
[50]

QUESTION 4

- 4.1
- Nature of the sales job
 - Nature of the product
 - Stage of market development
 - Intensity of market coverage
 - Intensity of competition
- (5 × 2) (10)
- 4.2
- The task of explaining quotas and how they are determined is simplified.
 - Sales personnel have some information about their territories that management does not have.
 - They are more easily convinced of their accuracy.
- (3 × 2) (6)
- 4.3
- Prejudice✓✓
- Personal preference and prejudices sometimes give rise to objections.✓
 - Prospects believe in certain pre-conceived ideas, principles or superstitions.✓
 - They just buy certain trademarks (brands) or buy from certain shops.
 - It is the salesperson's duty to recognise prejudices.
 - Salesperson should treat a prejudice with respect.
 - Do not try to break down a prejudice with an argument.
 - After a prejudice has been acknowledged and cleared, ignore it.
 - Show the prospect tactfully and indirectly that his prejudice is inconsistent with something else he believes in.
- Ignorance✓✓
- Many objections arise from a lack of knowledge.✓
 - If the prospect is not aware of his need, or if he is not aware of the existence of the product, the salesperson must convey additional information.✓
 - The salesperson must do it very carefully because the prospect does not want to seem uninformed or ignorant.
- Fear✓✓
- Fear is experienced especially when an expensive product is purchased, e.g. a car/house.✓
 - The risk of losing money may be high, therefore the prospect may be fearful.✓
 - Many people are afraid of losing money and making mistakes which may lead to poor impression on friends and family.
 - Provide all facts and evidence to show that the fears are groundless.
 - The salesperson can provide guarantees and money-back guarantees to reduce cognitive dissonance.

Self-satisfaction ✓✓

- Occurs when people are satisfied with what they already have. ✓
- For example, elderly people who are satisfied with their conventional oven, and do not want microwave oven ✓
- In most cases results from not knowing any better.
- To overcome this self-satisfaction, it is necessary to show the prospect what he is missing by not having the new product.

Indecision ✓✓

- It is when a prospect cannot make up his mind to buy the product. ✓
- He knows he wants the product, but has a habit of postponing his decision to buy. ✓
- To overcome indecision, the salesperson should once again go over the steps in the selling process, and get the prospect's agreement on minor details such as colour, delivery date, method of payment, et cetera. (5 × 4) (20)

- 4.4
- Various viewpoints and a wider range of experience are applied.
 - Decisions are made more scientifically.
 - The level of pressure in the buyer-seller relationship is lowered.
 - It lowers the risk involved.
 - It ensures that the investment meets with the expected business growth as set out by the strategic plan of the business.
 - To protect the company's brand.
 - Complexity of the task: buying some products, like IT, requires the input from various experts.
 - It maintains competitiveness. (Any 3 × 2) (6)

- 4.5
- Travel
 - Waiting
 - Face to face selling
 - Service
 - Administration/paperwork (Any 4 × 2) (8)
- [50]**

QUESTION 5

- 5.1
- Ensures proper market coverage
 - Equalises workload
 - Increases salespeople's morale
 - Improves evaluation and control of the sales force
 - Improves analysis and planning of sales activities
 - Sales are improved
 - Reduces conflicts and disputes
 - Improves/strengthens customer relations
 - Reduces selling costs
 - Improves co-ordination between selling and other marketing activities
- (10 × 2) (20)
- 5.2
- Sales volume quotas
 - Budget quotas
 - Activity quotas
 - Combination and point system quotas
- (4 × 2) (8)
- 5.3
- Facial expressions
 - Physical signs
 - Verbal signs
- (3 × 2) (6)
- 5.4
- The question must not prompt a negative response.
 - The question must be relevant and specific.
 - Ask personal and confidential questions only when absolutely necessary.
 - Do not ask information the prospect cannot provide.
- (4 × 2) (8)
- 5.5
- Users
 - Initiators
 - Influencers
 - Final decision-makers
 - Buyers
 - Gatekeepers
- (Any 4 × 2) (8)
- [50]**

TOTAL SECTION B: 150
GRAND TOTAL: 200