



Riara School of Business
Nurturing business innovators

SEPTEMBER–DECEMBER 2019 TRIMESTER
EXAMINATION FOR BACHELOR OF BUSINESS ADMINISTRATION
DAY PROGRAMME

RMK 402: SALES MANAGEMENT

DATE: 11TH DECEMBER 2019

TIME: 2 HOURS

GENERAL INSTRUCTIONS:

Students are NOT permitted to write on the examination paper during reading time.

This is a closed book examination. Text book/Reference books/notes are not permitted.

SPECIAL INSTRUCTIONS:

1. Write your REGISTRATION NO. Clearly on the answer booklet(s).
2. Answer Question One and ANY other TWO questions.
3. Questions in all sections should be answered in answer booklet(s).
4. Marks allocated to each question are shown at the end of the question.
5. PLEASE start the answer to EACH question on a NEW PAGE.
6. For the questions, write the number of the question on the answer booklet(s) in the order you answered them.
7. Write your answers in paragraph form unless stated otherwise.
8. Keep your phone(s) SWITCHED OFF at the front of the examination room.
9. Keep ALL bags and caps at the front of the examination room and do not refer to any unauthorized material before or during the course of the examination.
10. You are only allowed to leave the examination room 30minutes to the end of the Examination.

QUESTION ONE: COMPULSORY (30 MARKS)

- a) You are the sales manager for XYZ Company. Using the concepts discussed in class discuss **THREE** reasons why prospecting is important in sales management stating how a salesperson determines whether a lead is a good prospect
(5 Marks)
- b) A forecast is not only an estimate of what consumers demand will be for certain products, but how much of them the firm can produce and sell at certain prices, and how its competitor and customers will respond to those prices. A sales forecast is actually a function of a number of estimates. Examine **TWO** forecasting techniques of your choice
(5Marks)
- c) Done correctly, a sales manager motivational activities can have an impact on the performance outlook of sales representatives. But the reverse is also true. Done incorrectly the activities can actually de-motivate the sales force and be disastrous at both individual and company level. Critically analyze this statement.
(5 Marks)
- d) Amanda is the regional sales manager for oceansans industrial, a supplier of industrial products for manufacturers of computer peripherals located in high-rise Nairobi area. Although Amanda's region has met its total sales and profitability goals during the past three years she has been sales manager, he is concerned about his regions turnover rate. The first year he was sales manager, the turnover rate was 15 percent, followed by a rate of 18 percent and second year, and a 22 percent rate the third year. Each of the salespeople who resigned offered good reasons for leaving. A few were old enough to retire, one or two found better paying jobs and, unfortunately two salespeople just did not meet our standards and had to be let go. Amanda would like to reduce the annual turnover rate he plans on analyzing the situation over the next month, talking to others both inside and outside the firm and making a proposal to upper management to revamp the recruitment and selection process.
- i. What recommendations would you offer Amanda for evaluating the current recruitment and selection process at oceansans?
(5 Marks)
 - ii. How would you recommend that oceansans recruit and select new salespersons
(5 Marks)
 - iii. Why is it necessary for Amanda to investigate the reasons for turnover
(5Marks)

QUESTION TWO

- a) “Sales Training is an important method to improve the performance of Sales People.”
Elaborate this statement giving **FOUR** methods of Sales Training a sales manager can adopt. **(8 Marks)**
- b) If you were to hold a sales contest and offer a trip as an award, with valid reasons discuss the location you would pick for your generation, particularly stating what they would find that location motivating. Additionally, describe **TWO** non-monetary methods of compensation **(12Marks)**

QUESTION THREE

- a) Using examples from the industry you are familiar with, critically evaluate the statement, “The work of sales people is purely to sell the company products or services?” **(10Marks)**
- b) Regardless of the model of selling an organization has, there is a basic structure to a sales call. Examine **EIGHT** steps to the selling process capturing the key points necessary for each stage **(10Marks)**

QUESTION FOUR

- a) Discuss **FOUR** reasons why sales forecasting is important? **(8 Marks)**
- b) Describe **FIVE** roles of a sales budget in modern organizations? **(10 Marks)**
- c) Assess **TWO** reasons why firms organize their sales activities into a specific structure?

(2Marks)